Private & Confidential - For Private Circulation only
This Key Information Document is neither prospectus nor a statement in lieu of prospectus.



HIGHWAYS INFRASTRUCTURE TRUST
Registration Number: IN/InvIT/21-22/0019
Principal Place of Business: Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400 098, Maharashtra **Phone: 022 6107 3200**
Email ID: Compliance.highwaysinvit@highwayconcessions.com **Website:** www.highwaystrust.com

KEY INFORMATION DOCUMENT DATED JUNE 02, 2025 IN RELATION TO THE LISTED PRIVATELY PLACED NON-CONVERTIBLE DEBENTURES

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO THE ISSUE OF 90,000 SENIOR, SECURED, LISTED, RATED, TAXABLE, REDEEMABLE], NON-CONVERTIBLE DEBT SECURITIES ("**DEBENTURES"/ "DEBT SECURITIES**") HAVING A FACE VALUE OF Rs. 1,00,000 (RUPEES ONE LAKH ONLY) EACH AGGREGATING UPTO Rs 9,00,00,00,000 (Rupees Nine Thousand Million only)] (being the Series IV Debt Securities] (**"ISSUE SIZE"**) BY HIGHWAYS INFRASTRUCTURE TRUST (THE "**ISSUER**" OR "**TRUST**") ON A PRIVATE PLACEMENT BASIS ("**ISSUE**") AND IS ISSUED IN TERMS OF AND PURSUANT TO THE GENERAL INFORMATION DOCUMENT BEARING REFERENCE NUMBER **001/2025-26** DATED **JUNE 02, 2025** ISSUED BY THE ISSUER ("**GENERAL INFORMATION DOCUMENT**"). ALL THE DISCLOSURES AND INFORMATION AS STIPULATED IN THE GENERAL INFORMATION DOCUMENT ARE INCORPORATED HEREIN BY REFERENCE AS IF THE SAME WERE SET OUT HEREIN. INVESTORS ARE ADVISED TO REFER TO THE SAME. THIS KEY INFORMATION DOCUMENT MUST BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT. THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON A PRIVATE PLACEMENT BASIS IN TERMS OF CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER DATED MAY 22, 2024 BEARING REFERENCE NUMBER SEBI/HO/DDHS/POD1/P/CIR/2024/54 ("**NCS MASTER CIRCULAR**") READ WITH "OPERATIONAL GUIDELINES FOR PARTICIPATION ON **BSE** BOND PLATFORM (EBP PLATFORM OF **BSE** ISSUED BY **BSE** VIDE THEIR NOTICE DATED APRIL 17, 2023 AND ANY AMENDMENTS ("**BSE EBP GUIDELINES**") (THE NCS MASTER CIRCULAR AND THE **BSE** EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"), THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014, TOGETHER WITH ANY AMENDMENTS, CIRCULARS AND GUIDELINES ISSUED THEREUNDER (THE "**SEBI INVIT REGULATIONS**"), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, TOGETHER WITH ANY AMENDMENTS, CIRCULARS AND GUIDELINES ISSUED THEREUNDER (THE "**SEBI ILNCS REGULATIONS**"). IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE DETAILS IN THE GENERAL INFORMATION DOCUMENT AND THOSE IN THIS KEY INFORMATION DOCUMENT, THIS KEY INFORMATION DOCUMENT WILL PREVAIL.

ISSUER DETAILS

PAN of the Issuer	AACTH5589F	**Date and Place of registration**	**Date**: December 23, 2021 (Registered in the Republic of India as an irrevocable trust on December 03, 2021 under the Indian Trusts Act, 1882 and as infrastructure investment trust on December 23, 2021 under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 in Mumbai.
Principal Place of Business and Corporate Office of the Issuer	Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400 098, Maharashtra. **Phone:** 022 6107 3200 **E-mail:** Compliance.highwaysinvit@highwayconcessions.com	**Latest registration / identification number issued by any regulatory authority which regulates such issuer (viz. Reserve Bank of India, IRDAI etc.), if applicable,**	Registration number IN/InvIT/21-22/0019. Registered as an infrastructure investment trust on December 23, 2021 under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.
Company Secretary and Compliance Officer of the Investment Manager of the Issuer	**Name**: Mr. Gajendra Mewara **Address**: Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400 098, Maharashtra **Phone No.**: +91 9833324822 **E-mail:**	**CFO of the Investment Manager of the Issuer**	**Name**: Mr. Abhishek Chhajer **Address**: Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400 098, Maharashtra

	Compliance.highwaysinvit@highwayconcessions.com		**Phone No**.: +91 9599062801 **Email ID:** abhishek.chhajer@highwayconcessions.com
Promoter (Sponsors) of the Issuer	**Name**: Galaxy Investments II Pte. Ltd. ("Galaxy" or the "Sponsor") **Address**: 12 Marina View, #11-01 Asia Square Tower 2, Singapore 018961 **Registration No**.: 202120533M **E-mail:** APACFundOps@kkr.com	**Statutory Auditors of the Issuer**[1]	**Name**: S.B. Billimoria & Co LLP **Address**: One International Center, Tower 3, 31st Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India **E-mail**: telewis@deloitte.com **ICAI Firm Registration No.**: 101496W/W-100774 **Peer Review Certificate Number**: 019477
InvIT (Unit) Trustee of the Issuer	**Name: Axis Trustee Services Limited** **SEBI Registration No**: IND000000494 **Address:** Axis House, Bombay Dyeing Mills Compound Pandurang Budhkar Marg, Worli Mumbai 400 025 **Tel**.: + 91 22623 00451 **E-mail:** debenturetrustee@axistrustee.in **Website:** www.axistrustee.in	**Investment Manager of the Issuer**	**Name: Highway Concessions One Private Limited** **Address:** Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India **Phone No:** +91 98333 24822 **Email:** compliance.highwaysinvit@highwayconcessions.com
Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading of the General Information Document and Key Information Document on the Electronic Book Provider Platform, if applicable	This issuance would be under the electronic book mechanism for issuance of Debt Securities and/or Commercial Papers (as applicable) on a private placement basis as per the Operational Framework. The Issuer intends to use BSE's electronic bidding platform ("EBP") for this Issue. The Issuer has complied with all the provisions related to electronic book mechanism and the same shall be uploaded on EBP in compliance with the Operational Framework.	**The name(s) of the stock exchanges where the securities are proposed to be listed**	BSE Limited ("BSE")
Debenture trustee for the debenture holders	**Name**: Catalyst Trusteeship Ltd. **SEBI Registration No**.: IND000000034 **Contact Person**: Priti Shetty **Registered Address**: GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (Right), Kothrud Pune 411038. **Corporate Address**: 901, 9th Floor, Tower-B Peninsula Business Park, Senapati Bapat Marg Lower Parel (W) Mumbai- 400013 **Phone No**.: 022-49220548 **E-mail**: priti.shetty@ctltrustee.com **Website** : www.catalysttrustee.com	**Registrar to the issue**	**Name: MUFG Intime India Private Limited** (Formerly Link Intime India Private Limited) **Address**: C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai 400 083. Website: **www.in.mpms.mufg.com**

[1] **S.B. Billimoria & Co LLP** (recommended by Audit Committee and approved by Board subject to appointment by unit holders during 3rd Annual Meeting of the unitholders of the Trust)
Name of Predecessor Auditor: Walker Chandiok & Co LLP (resigned w.e.f. end of business hours on May 16, 2025)

Note: The audited financials enclosed in Annexure II of General Information Document have been audited by such predecessor auditor. Accordingly, consent of statutory auditor has been obtained from such Predecessor Auditor.

Credit rating agency	**Name**: CRISIL Ratings Limited **Contact Person**: Anand Kulkarni **Address**: Hiranandani Business Park, Central Ave, Hiranandani Gardens, Powai, Mumbai, Maharashtra 400076 Phone No.: +91 22 3342 3000 **E-mail**: crisilratingdesk@crisil.com **Website**: www.crisil.com	**Legal Counsel to the Issuer**	**Name: J. Sagar Associates** **Address:** B 303, 3rd Floor, Ansal Plaza, Hudco Place August Kranti Marg, New Delhi – 110049, India **Contact No.:** +911143110600 **Website:** www.jsalaw.com **Contact Person:** Mr. Karan Mitroo **Email:** karan.mitroo@jsalaw.com
Legal Counsel to the Holders	**Name: Cyril Amarchand Mangaldas** **Address:** Peninsula Chambers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai – 400 013, India **Contact No.:** +91 120 669 9000 **Website:** https://www.cyrilshroff.com **Contact Person:** Uday Khare **Email:** uday.khare@cyrilshroff.com	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable;**	90,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-Convertible Debt Securities of a face value of Rs. 1,00,000 (Rupees One Lakh Only) each aggregating up to Rs. 9,00,00,00,000 **(Rupees Nine Thousand Million only) (being the Series IV Debt Securities)**
The details about eligible investors	Eligible investors shall include all persons eligible to invest in these Debentures as permitted under Applicable Laws including but not limited to the following resident individuals, a. hindu undivided family, b. trust, c. limited liability partnerships, partnership firm(s), d. portfolio managers, e. association of persons, f. companies and bodies corporate including public sector undertakings, g. commercial banks, regional rural banks, financial institutions, and non-banking financial companies, h. insurance companies, i. mutual funds/ alternative investment fund (AIF), j. foreign portfolio investors, and any other investor eligible to invest in these Debentures, in each case, as may be permitted under Applicable Law.		

ISSUER'S ABSOLUTE RESPONSIBILITY

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT, THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND THAT THE INFORMATION INCLUDED IN THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY STATED AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS KEY INFORMATION DOCUMENT (READ WITH THE GENERAL INFORMATION DOCUMENT) AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS, MISLEADING.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION II TITLED 'RISK FACTORS' IN THE GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

CREDIT RATING OF THE DEBENTURES

THE DEBENTURES PROPOSED TO BE ISSUED UNDER THIS ISSUE HAVE BEEN RATED AS CRISIL AAA/STABLE BY CRISIL RATINGS LIMITED VIDE ITS RATING LETTER DATED MAY 21, 2025.

LINK OF THE PRESS RELEASE:
https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/HighwaysInfrastructureTrust_May%2020_%202025_RR_369042.html

RATING LETTER AND RATING RATIONALE: PLEASE REFER TO **ANNEXURE 1** OF THE KEY INFORMATION DOCUMENT

THE RATINGS PROVIDED BY **CRISIL** ARE VALID AS ON THE DATE OF ISSUANCE AND LISTING IS IN LINE WITH THE SEBI ILNCS REGULATIONS. THESE RATINGS ARE NOT A RECOMMENDATION TO BUY, SELL OR HOLD SECURITIES AND INVESTORS SHOULD TAKE THEIR OWN DECISIONS AND SHOULD BE EVALUATED INDEPENDENTLY OF ANY OTHER RATING.

INVESTORS MAY PLEASE NOTE THAT THE CREDIT RATING OF THE DEBENTURES OF THIS ISSUE IS NOT A RECOMMENDATION TO BUY, SELL OR HOLD SECURITIES AND THE PROSPECTIVE INVESTORS SHOULD TAKE THEIR OWN INVESTMENT DECISIONS. THE RATING AGENCY HAS THE RIGHT TO SUSPEND, WITHDRAW OR REVISE THE CREDIT RATING / OUTLOOK ASSIGNED TO THE ISSUE AT ANY TIME, ON THE BASIS OF NEW INFORMATION OR UNAVAILABILITY OF INFORMATION OR OTHER CIRCUMSTANCES WHICH THE RATING AGENCY BELIEVES MAY HAVE AN IMPACT ON THE CREDIT RATING. PLEASE REFER TO THE CREDIT RATING LETTERS, AND RATING RATIONALE ISSUED BY THE RATING AGENCIES WHICH ARE ATTACHED AS [**ANNEXURE I]** TO THIS KEY INFORMATION DOCUMENT FOR FURTHER INFORMATION.

LISTING

THE DEBENTURES ARE PROPOSED TO BE LISTED ON THE WHOLESALE SEGMENT OF THE **BSE** ("**STOCK EXCHANGE/DESIGNATED STOCK EXCHANGE**"). THE ISSUER HAS OBTAINED THE IN-PRINCIPLE APPROVAL FOR THE LISTING OF THE DEBT SECURITIES FROM THE **BSE** ON **[●]**. THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED IN THE GENERAL INFORMATION DOCUMENT) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS. PLEASE REFER TO [**ANNEXURE 2]** TO THE KEY INFORMATION DOCUMENT FOR THE 'IN-PRINCIPLE' LISTING APPROVAL FROM THE STOCK EXCHANGE.

ISSUE SCHEDULE

Issue / Bid Opening Date	Issue / Bid Closing Date	Pay-In Date	Deemed Date of Allotment	Date of Earliest Closing, If Any
June 06, 2025	**June 06, 2025**	**June 10, 2025**	**June 10, 2025**	**NA**

The Issuer reserves the right to change the Issue programme including the Deemed Date of Allotment (as defined hereinafter) at its sole discretion in accordance with the timelines specified in the Operational Guidelines, without giving any reasons or prior notice. The Issue will be open for bidding as per bidding window that would be communicated through BSE Bond – EBP Platform.

Coupon and Coupon Type	Coupon Payment Frequency	Final Redemption Date	Redemption Amount
7.40% per annum [Fixed till Coupon Reset Date]	**Quarterly**	**December 31, 2041**	**Rs. 1,00,000 (Rupees One Lakh Only) Per Debt Security**
The issue of Debentures shall be subject to the provisions of the Debt Security Trust Deed of the Issuer, the SEBI ILNCS Regulations, the SEBI LODR Regulations, the SEBI InvIT Regulations, the terms and conditions of this Key Information Document along with the General Information Document filed with the Designated Stock Exchange, the Application Form and other documents in relation to such Issue.			

DISCLOSURE UNDER COMPANIES ACT, 2013
As an Infrastructure Investment trust, certain regulatory requirements applicable to companies are not applicable to the Issuer. For instance, the Issuer is not required to file a copy of the issue document with the registrar of companies as required under sub-section (4) of Section 26 of the Companies Act, 2013.

TABLE OF CONTENTS

1.	**DEFINITIONS AND ABBREVIATIONS**	**1**
2.	**PARTICULARS OF THE OFFER**	**37**
3.	**ISSUE DETAILS**	**37**
4.	**NOTICES**	**105**
5.	**DISCLOSURES PERTAINING TO WILFUL DEFAULT (IF ANY)**	**105**
6.	**UNDERTAKING BY THE ISSUER**	**106**
7.	**OTHER DISCLOSURES**	**106**
8.	**CONSENTS**	**106**
9.	**PROJECT DETAILS**	**107**
10.	**OTHER CONFIRMATION PERTAINING TO THE ISSUE**	**107**
11.	**PARTICULARS OF THE MATERIAL CONTRACTS**	**107**
12.	**DISCLOSURES IN TERMS OF MASTER CIRCULAR FOR DEBENTURE TRUSTEES**	**107**
ANNEXURE 1		**117**
ANNEXURE 2		**118**
ANNEXURE 3		**119**
ANNEXURE 4		**120**
ANNEXURE 5		**121**
ANNEXURE 6		**122**
ANNEXURE 7		**123**

1. DEFINITIONS AND ABBREVIATIONS

In this Key Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the General Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

1.1 Issuer Related Terms and Conventional General Terms and Abbreviations

Term	Description
Abandon	Shall mean the voluntary cessation of performance of the obligations by the Obligors in respect of whole or any material part of their respective Projects or business, and "Abandonment" shall be construed accordingly.
Act or Companies Act	Shall mean the Companies Act, 2013 and the rules made thereunder, as may be amended from time to time and shall include any re-enactment thereof;
Additional Interest	Means any or all of the Payment Additional Interest, the Listing Additional Interest and the Security Additional Interest, as the case may be.
Additional Debt	Shall mean the Financial Indebtedness (other than the Original Debt and the Debt Securities) availed by the Issuer in compliance with the Additional Debt Conditions or as otherwise permitted by the Super Majority Creditors in accordance with Clause 31.3 (Security) of the Debt Security Trust Deed.
Additional Lender(s)	Shall mean any Person granting or providing the Additional Debt after the date hereof;
Additional Trustee	Shall mean any trustee acting for or on behalf of any Additional Lender;
Annuity Based SPV	Shall mean any SPV which has entered into a Concession Agreement with the relevant Concessioning Authority on an 'annuity basis'.
Application Form	Means the application form forming part of this Key Information Document/ (as defined herein below) to be submitted by the Identified Investor/ Successful Bidder, after completion of the bidding process in the form and manner set out in this Key Information Document.
Applicable Laws	Means any statute, national, state, provincial, local, municipal, foreign, international, multinational or other law, treaty, code, enactment, regulation, ordinance, rule, judgment, notification, direction, order, decree, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Key Information Document or at any time thereafter;
Applicable Sanctions and Anti-Corruption Law	Shall mean (i) anti-corruption laws which may apply to the transactions contemplated under the Financing Documents or to which any of the Obligors may be subject, (ii) Anti-Money Laundering Laws which may apply to the transactions contemplated under the Financing Documents or to which any of the Obligors may be subject, (iii) Sanctions Laws, regulations, embargoes or restrictive measures or other similar measures administered, enacted or enforced by India or any other jurisdiction which may apply to the transactions contemplated under the Financing Documents or to which any of the Obligors may be subject, and/or (iv) any similar laws, rules or regulations issued, administered or enforced by India or any other jurisdiction or any Governmental Authority which may apply to the transactions contemplated under the Financing Documents or to which any of the Obligors may be subject;
Associated Persons	Shall mean in relation to any person, a person who performs any services for or on behalf of such person with regard to the transactions contemplated under the Transactions Documents or to which the Issuer may be subject, in any capacity and including, without limitation, employees, agents, subsidiaries, representatives and subcontractors.
Auditor	Means any of the Identified Auditors, or any other internationally recognized firm of external auditors with the prior approval of the Trustee that the Issuer appoints from time to time as its auditor pursuant to Clause (a) (i) (11) of Schedule III (*Covenants*) of the DTD.
Authorised Officer or Authorized Officer	Shall mean with respect to (i) any Person other than the Issuer, any officer of such Person who is authorized by the board of directors of such Person to sign on behalf of such Person in relation to the Financing Documents and/ or any aspects thereto and as specified in the most recent, valid and subsisting board resolution of such Person certified by the director/company secretary of such Person and delivered to the Trustee; and (ii) the Issuer, any officer of the Investment Manager who is authorized by the Board of Directors to sign on behalf of the Issuer in relation to the Financing Documents and/or any aspects thereto and as specified in the most recent, valid and substituting board resolution of the Investment Manager

	certified by the director/company secretary of the Investment Manager and delivered to the Trustee.
Bank Guarantee Facility	Means the bank guarantee facilities aggregating up to Rs. 75,00,00,000 (Rupees Seventy Five Crores only) availed/to be availed by the Issuer from the Bank Guarantee Lenders;
Bank Guarantee Facility Agreement	Means the bank guarantee facility agreement dated April 7, 2023 executed between the Issuer, Catalyst Trusteeship Limited (as the Bank Guarantee Lenders' agent) and the Bank Guarantee Lenders in relation to the Bank Guarantee Facility, as amended, supplemented and/or modified from time to time;
Bank Guarantee Lenders	Means ICICI Bank Limited or any other bank providing the Bank Guarantee Facility.
Base Case Business Plan	shall be the business plan projections of the Issuer provided on an annual basis by the Issuer to the Trustee
Beneficial Owner	Shall mean whose name(s) is recorded as "Beneficial Owner" with the Depository (for Debentures held in dematerialized form) as defined under clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended or the person(s) whose name(s) appears as holder of Debenture(s) in the Register of Debenture Holder(s) (for Debenture(s) held in physical form).
Board	Means the board of directors of the Investment Manager
BSE	BSE Limited
EBP	Means the platform for issuance of debt securities on private placement basis required and established in accordance with the SEBI NCS Master Circular, on the 'Price based with Multiple Yield Method
EBP Platform	EBP Platform of BSE
Business Days / Working Days	Shall mean: (a) (other than in respect of (b) below) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments are open for general business (including dealings in foreign exchange and foreign currency deposits) in Mumbai, India and New York, United States (other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Mumbai, India, or a Saturday or Sunday); and (b) in relation to the time period between the Issue Closing Date (as defined in Section 3 (*Issue Details*) of this Key Information Document) and the listing of the Debt Securities on the Stock Exchange, a day on which the Stock Exchange is open for trading, other than Saturdays, Sundays and bank holidays, as specified by SEBI);
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
Clearances	Shall mean any consent, license, approval, registration, permit, sanction or other authorisation of any nature which is already granted or required to be granted by any Governmental Authority and/or any other third party or Person in relation to the Obligors, for undertaking, performing or enforcing the obligations contemplated by the Transaction Documents or required to be obtained by the Obligors under any Applicable Law or otherwise required to carry out the business of the Obligors
Cash Surplus	Shall mean the amount of combined cash available with the Issuer, HoldCos and SPVs after incurring the following: (a) Taxes payable by the Issuer, HoldCos and the SPVs; (b) operational expenses of the Issuer, HoldCos and the SPVs, (c) debt servicing requirements of the Issuer, HoldCos and the SPVs (for avoidance of doubt, without double counting), (d) O&M requirements for ensuing 3 (three) months of the SPVs and HoldCos, as per the Base Case Business Plan or such higher amounts that may have been approved by the Trustee in the immediately preceding Financial Quarter, (e) maintaining the required reserves including the DSRA and MMR and all other reserves as mentioned in the Escrow Agreement, and (f) any other expenses or payments required to be incurred as per the terms and the waterfall laid down in the Escrow Agreement and SPV Escrow Agreement.
Commercial Paper	Means commercial paper aggregating up to Rs. 2,750 million issued by the Issuer pursuant to the offer document dated December 12, 2024;
Common Security Trustee	Catalyst Trusteeship Limited or its successors and permitted assigns, as appointed under the Common Security Trustee Agreement (as amended and/or acceded from time to time.
Common Security Trustee Agreement	The common security trustee agreement dated September 3, 2022, executed inter alia amongst the Common Security Trustee and the Issuer for appointment of the Common Security Trustee, and to be acceded by Catalyst Trusteeship Limited as the additional trustee for the benefit of the holders of Debt Securities, as amended/acceded from time to time.
Consolidated Basis	Means the sum of all amounts of similar nature reported in the relevant financial statements of each of the entities whose accounts are to be consolidated with the accounts of the Issuer plus or minus the consolidation adjustments required to be applied under the Ind AS to avoid double counting of transactions among any of those entities, including the Issuer;
Consolidated Net Debt	Shall mean, at a given point of time, the aggregate amount of all Financial Indebtedness availed by the Issuer, the Holding Companies and the SPVs at such point of time (save and except any Financial Indebtedness *inter se* the Obligors) and including deferred premium payment due to the relevant Concessioning Authority *less* the cash and cash equivalents available with the Issuer, the Holding

	Companies and the SPVs at such time including the Permitted Investment but the said cash and cash equivalents shall exclude any cash balances earmarked for distribution and any cash balances earmarked for MMR. This calculation, for (a) any SPV or HoldCo in respect of which the Issuer holds less than 100% (one hundred percent) economic interest, will take into account its Financial Indebtedness (save and except any Financial Indebtedness availed from the other Obligors) and cash and cash equivalents in proportion to the Issuer's economic interest in that SPV or HoldCo provided that there is no Financial Indebtedness at the Issuer level in connection with such SPVs or HoldCo; and (b) any other SPV or HoldCo, will take into account all the Financial Indebtedness of that SPV or HoldCo (save and except any Financial Indebtedness *inter se* the Obligors);
Concession Agreement	Shall mean the concession agreements executed by each of the SPVs. Provided that the concession agreement for the New Project SPVs shall be construed as 'Concession Agreements' for the Key Information Document and the Debt Security Trust Deed only upon completion of acquisition of the relevant New Project SPV by the Issuer;
Concessioning Authority	Each counterparty to the SPVs under the concession agreement including National Highways Authority of India, Public Works Department, Government of Rajasthan Madhya Pradesh Road Development Corporation Limited and UP State Highways Authority
Constitutional Documents	Shall mean, as applicable, the amended and restated trust deed dated March 4, 2024, as further amended from time to time, memoranda of association, articles of association, certificates of incorporation and certificates of commencement of business or such other constitutional documents (as may be applicable);
Contested in Good Faith	Shall mean, as to any payment, tax, assessment or claim in relation there to, contesting the amount, applicability or validity thereof in good faith by appropriate proceedings or other appropriate actions promptly initiated and diligently conducted in a manner to the reasonable satisfaction of the Trustee provided (a) a deposit of funds of such contested payment, tax, assessment or claim in relation thereto has been provided for in a manner as required under Applicable Law, and (b) there has been no enforcement of the contested payment, tax, assessment or claim in relation thereto;
Control	Shall mean the power to direct the management or policies of a Person, directly or indirectly whether through the ownership of more than 50% (fifty percent) of the voting power of such Person, or through the power to appoint over half of the members of the board of directors or similar governing body of such Person, or through contractual arrangements or otherwise and shall also include the meaning given to the term under Section 2(27) of the Companies Act, 2013 and the terms "controlling" and "controlled" shall be correspondingly construed;
Coupon	shall mean the rate at which coupon is payable during that Coupon Period, being the initial coupon rate set out in Section 3 (*Issue Details*) of this Key Information Document on the Deemed Date of Allotment and as may be altered pursuant to the provisions of the Debt Security Trust Deed
Coupon Period	Means each period of 3 (three) months beginning on a Coupon Payment Date and ending on the day immediately before the next following Coupon Payment Date, except in the case of (a) the first period when it means the period beginning on the Deemed Date of Allotment and ending on the day immediately before the next following Coupon Payment Date; and (b) the last period applicable, when it means the period beginning on the Coupon Payment Date immediately prior to the Final Redemption Date and ending on the date immediately before the Final Redemption Date. For the purpose of determining the Coupon Period, the Coupon Payment Dates and the Final Redemption Date shall not be subject to Business Day adjustment in accordance with row titled *'Business Day Convention'* in Section 3 (*Issue Details*) hereof;
Coupon Rate	Please refer to row titled '*Coupon Rate'* in Section 3 (*Issue Details*) of this Key Information Document
Credit Ratings	Shall mean credit rating assigned to the Issuer by an Indian Rating Agency, and "**Credit Rating**" shall mean any one of the Credit Ratings;
Credit Rating Agency/ies	CRISIL Ratings Limited
Creditors	Means collectively, the Persons providing any Secured Indebtedness to the Issuer, who are a party to the Common Security Trustee Agreement or have acceded to Common Security Trustee Agreement or for whose benefit the facility agent and/or the trustee and/or any other agent appointed for the benefit of any of the Creditors is a party to Common Security Trustee Agreement or has acceded to Common Security Trustee Agreement, and "Creditor" means any one of them;
Date of Subscription	The date of realization of proceeds of subscription money in the bank account of ICCL.
Debentures/ Debt Securities / NCDs	Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-Convertible Debt Securities of a face value of Rs. 1,00,000 (Rupees One Lakh Only) each aggregating up to Rs. 9,00,00,00,000.00 **(Rupees Nine Thousand Million only)] (being the Series IV Debt Securities)**
Debenture Holder(s)/ NCD Holder(s)/ Holder(s)	The holders of the Debentures pursuant to the Issue whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any), from time to time, maintained by the Trust if required under applicable law.
Debenture Trustee/	Catalyst Trusteeship Limited, as trustee for the benefit of the Debenture Holder(s) / Beneficial Owner(s).

Trustee	
Debenture Trustee Regulations	Shall mean the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time
Debt Cap	Shall mean the aggregate of (i), (ii) and (iii) below: (i) 45% (forty five percent) X last Financial Year EBITDA X balance concession period (in years) of respective Projects of Toll Based SPVs (including Projects of Toll Based SPVs as per the 'Note (a)' below) (ii) 40% (forty percent) X last Financial Year Cash EBITDA X balance concession period of respective Projects of Hybrid Annuity Based SPVs (including Projects of Hybrid Annuity Based SPVs as per the 'Note (b)' below) (iii) 40% (forty percent) X last Financial Year Cash EBITDA X balance concession period of respective Projects of Annuity Based SPVs; *Note:* (a) For Projects of Toll Based SPVs, the Issuer can raise debt as per the definition of Debt Cap above wherein EBITDA shall be considered as per projections of subsequent 12 (twelve) months. However, in case the actual EBITDA (pertaining to a period of one full year of operations) based on provisional financials of that quarter based on trailing twelve months/audited financials is less than the projections, then the Issuer shall ensure that the debt is deleveraged (if required by the Holders) to ensure that the Outstanding External Debt of the Issuer is less than the Debt Cap within 120 (one hundred and twenty) days of such provisional financial statement / publication of financial results of the Issuer in order to stay compliant with the conditions mentioned in the definition of Debt Cap above and such deleveraging will be done by utilizing the balances only from the Designated Payment Accounts. (b) For Projects of Hybrid Annuity Based SPVs, the Issuer can raise debt as per the definition of Debt Cap above wherein EBITDA shall be considered as per projections of subsequent 12 (twelve) months. However, in case the actual EBITDA (pertaining to a period of one full year of operations) based on provisional/audited financials is less than the projections, then the Issuer shall ensure that the debt is deleveraged (if required by the Holders) to ensure that the Outstanding External Debt is less than the Debt Cap within 120 (one hundred and twenty) days of publication of financial results of the Issuer in order to stay compliant with the conditions mentioned in the definition of Debt Cap above and such deleveraging will be done by utilizing the balances only from the Designated Payment Accounts.
Debt Securities Amount	shall mean, the nominal value of all such Debt Securities, aggregating up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only) or such lower amount as may have been received by the Issuer in accordance with the terms of the Debt Security Trust Deed and the Offer Document.
Debt Securities Outstandings	All present and future moneys, debts and liabilities due and owing by the Issuer in respect of the Debt Securities to any Holder or the Trustee and the Escrow Bank or by any receiver under the Financing Documents (other than the SPV Financing Documents), including but not limited to the Redemption Amounts, accrued but unpaid Coupon, Additional Interest, Unwinding Costs, other charges, fees, costs and expenses (including remuneration of the Trustee and the Escrow Bank and of any receiver and all interest thereon) incurred under the Debt Security Trust Deed or any other Financing Document (other than the SPV Financing Documents)
Debt Security Trust Deed or Debenture Trust Deed or Debt Security Trust Deed or DTD	The debt security trust deed executed or to be executed between the Issuer and the Debenture Trustee inter alia recording the terms and conditions upon which the Debt Securities are being issued by the Issuer, as amended, modified and supplemented from time to time.
Deed of Hypothecation	A deed executed or to be executed by the Issuer in favour of the Trustee for creation of charge over assets of the Issuer proposed to be offered as Security for the Debentures.
Depositories	Central Depository Services (India) Limited and National Securities Depository Limited.
Designated Stock Exchange	BSE
DRR	Debenture Redemption Reserve.
DSCR	Shall mean the ratio of (i) total cash available with the Issuer for servicing of any debt under Permitted Indebtedness (other than Commercial Paper) for the trailing 12 (twelve) month period (except opening cash balance for the said period and after providing for major maintenance (if any) as per Base Case Business Plan) to (ii) amounts due and payable by the Issuer in relation to any debt under Permitted Indebtedness (other than Commercial Papers) for the trailing 12 (twelve) months (excluding any bullet payments of any outstanding debt securities or Commercial Paper to be made by the Issuer which have been refinanced during the period of the trailing 12 (twelve) months);
DSR	Please refer to row titled "Debt Service Reserve or DSR" in Section 3 (*Issue Details*) of this Key Information Document
DSRA	Please refer to row titled "Debt Service Reserve Account (DSRA)" in Section 3 (*Issue Details*) of this

	Key Information Document
Due Date	shall mean in respect of: (a) any Redemption Amounts, the relevant Redemption Date; (b) any Coupon, the relevant Coupon Payment Date; and (c) any other amount payable under the Financing Documents (other than the SPV Financing Documents), the date on which such amount is payable in accordance with the provisions of the respective Financing Documents (other than the SPV Financing Documents); and (d) an early redemption of the Debt Securities, the date specified in the notice provided by the Issuer and/or the Trustee (as applicable)
Early Redemption Amount	Means, at any time, in respect of a Debt Security which is being redeemed as a whole or in part, the aggregate of: (a) the principal amount of that Debt Security then outstanding or, as the case may be, proposed to be redeemed; (b) the Coupon accrued on that Debt Security (or the portion thereof being redeemed) since the last Coupon Payment Date and until (and including) the proposed date of redemption of that Debt Security (or the portion thereof being redeemed); (c) the Additional Interest related to that Debt Security (if applicable); (d) the Make Whole Amount relating to that Debt Security (or the portion thereof being redeemed); and (e) any other amount that is due and payable in relation to that Debt Security pursuant to the terms of the Financing Documents.
Earnout Amounts	shall refer to any sums to be paid by the SPV/ HoldCo/ Issuer to the erstwhile shareholder (or its Affiliates) of a SPV/ Holdco after its acquisition by the Issuer/Holdco in connection with achievement of any defined milestone as set out in the relevant acquisition agreements including payments to discharge of any debt like instruments issued by the relevant SPV/ HoldCo in this regard
EBITDA	shall mean the aggregate of (without double counting): (a) profit before tax for that period; (b) amortization or depreciation and adjustment for non-cash items (including non-cash income and expense) for such period; (c) interest and other charges (which form part of finance charges under the profit and loss account) accrued or payable during such period with respect to any Financial Indebtedness, and (d) any expense or provision for major maintenance relating to SPV or HoldCo which is incurred or to be incurred within 36 (thirty six) months of acquisition of such SPV or HoldCo by the Issuer, provided the same is funded either through debt or equity provided if any expense or provision for future major maintenance is to be incurred from project revenue, it would not be added back in EBITDA computation. For the purposes of this definition, (A) if the Issuer holds 100% (one hundred percent) of the shareholding (directly or indirectly) or the economic interest in an SPV or HoldCo, then EBITDA of that SPV or HoldCo will be taken into account in its entirety; (B) if the Issuer holds less than 100% (one hundred percent) of the shareholding (directly or indirectly) or the economic interest in an SPV or HoldCo, then the EBITDA of that SPV or HoldCo will be taken into account proportionate to the Issuer's shareholding or economic interest (as applicable) provided the Net Debt has been considered on proportionate basis; (C) if any SPV(s) or HoldCo is acquired during the Financial Year, the EBITDA of such SPVs or HoldCo based on their last audited financial statements on a fully operational basis shall be taken into account; and (D) no EBITDA from Projects which have not achieved PCOD or COD shall be taken into account;
EBP Mechanism Guidelines	Electronic book mechanism guidelines issued by the BSE, as may be amended or replaced from time to time.
EBP Platform or EBP Bond Platform	Platform of BSE for issuance of the Debentures on a private placement basis established in accordance with the NCS Master Circular, on the 'Price based with Multiple Yield Method'.
Eligible Participants / Eligible Investors/ Eligible Debenture Holder	Shall have the meaning given to the term in Section titled "*Issue Details*".
Enterprise Value	Shall mean the value of the InvIT Assets of the Issuer as set out in the Valuation Report.
Environment	Shall mean living organisms including the ecological systems of which they form part and the following media:

	(a) air (including air within natural or man-made structures, whether above or below ground); (b) water (including territorial, coastal and inland waters, water under or within land and water in drains and sewers); and (c) land (including land under water);
Environmental Claim	Means any claim, proceeding or investigation by any person in respect of any Environmental Law;
Environmental Law	Means any Applicable Law in any jurisdiction in which any Obligor conducts business which relates to the pollution or protection of the Environment or harm to or the protection of human health or the health of animals or plants;
Environmental Permits	Means any authorisation and the filing of any notification, report or assessment required under any Environmental Law for the Operations of the business of any Obligor conducted on or from the properties owned or used by the relevant Obligor;
Escrow Bank or **InvIT Escrow Bank**	Shall mean the bank appointed as the escrow bank pursuant to the Escrow Agreement
Escrow Agreement	The escrow agreement dated September 3, 2022 amongst, inter alia, the Issuer, InvIT Escrow Bank, and Catalyst Trusteeship Limited in its capacity as the creditors' agent and as the creditors' representative to establish and govern the operation of the Escrow Account, and acceded / to be acceded by Catalyst Trusteeship Limited as the new creditors' representative for the benefit of the holders of Debt Securities, as further amended / acceded from time to time.
Event of Default or Events of Default	shall mean any one of the events specified in row titled *"**Event of default (including manner of voting /conditions of joining Inter Creditor Agreement)"*** of this Key Information Document and "**Events of Default**" shall mean each or all of them
Existing Senior Creditors	Shall mean the creditors (which are not related parties) of: (a) an SPV or HoldCo as of the Deemed Date of Allotment; or (b) an Other SPV or HoldCo as of the date of acquisition of such Other SPV or HoldCo, which acquisition is undertaken after the date of the Debt Security Trust Deed;
Financial Quarter	Shall mean each period of 3 (three) months (a) commencing on April 1 of a calendar year and ending on June 30 of that calendar year; (b) commencing on July 1 of a calendar year and ending on September 30 of that calendar year; (c) commencing on October 1 of a calendar year and ending on December 31 of that calendar year; or (d) commencing on January 1 of a calendar year and ending on March 31 of that calendar year;
Financial Year or **FY**	Shall mean a period of 12 (twelve) months commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year;
Financing Documents	Collectively, (a) the Offer Document; (b) the Trustee consent letter dated 20th May 2025 (c) the Listing Agreement between the Issuer and the Stock Exchange; (d) in-principle and final approval for listing the Debt Securities on the wholesale debt market segment of the Stock Exchange; (e) the Trustee Agreement; (f) the Common Security Trustee Agreement; (g) the Debt Security Trust Deed; (h) the Security Documents; (i) the Escrow Agreement; (j) each provisional and final rating letter issued by a Rating Agency in connection with the rating of the Issuer or the Debt Securities, along with the rating rationale. (k) the SPV Financing Documents; (l) the SPV and HoldCo Undertaking; (m) 'Due Diligence Certificates' from the Trustee as per Annex-IIA and Annex-IIB format specified under the Master Circular for Debenture Trustees, and as amended thereafter; and. (n) any other document as designated as such by the Common Security Trustee and the Issuer jointly.
General Information Document or GID	The general information document dated June 02, 2025 bearing reference number 001/2025-26
Governmental Authority	shall mean any: (a) government (central, federal, supranational, state, regional, local or otherwise) or sovereign state; (b) any governmental agency, semi-governmental or administrative or fiscal or judicial or quasi-judicial or administrative entity, department, commission, tribunal, agency or entity or authority, or any political subdivision thereof;

	(c) central bank (or any Person, whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank); or (d) international organization, agency or authority, including, without limitation, any stock exchange or any self-regulatory organization, established under any Applicable Law (to the extent acting in its capacity as a government entity and not as a contracting or private party)
Hybrid Annuity Based SPV	Shall mean any SPV which has entered into a Concession Agreement with the relevant Concessioning Authority on an 'hybrid annuity basis'.
IBC	shall mean the Insolvency and Bankruptcy Code, 2016, along with applicable rules and regulation(s), as amended from time to time
ICCL	Indian Clearing Corporation Limited.
Identified Auditors	Shall mean any one of Deloitte Haskins & Sells LLP, Ernst & Young, KPMG, or PricewaterhouseCoopers, BDO Global, Forvis Mazars and Grant Thornton or any member firms through which they operate in India.
Identified Investor/ Successful Bidder	Eligible allottees (eligible to bid / invest / apply for this Issue pursuant to the SEBI ILNCS Regulations read with NCS Master Circular) identified by the Board of Directors as per the provisional allotment list generated after completion of the bidding on the BSE Bond- EBP Platform and acceptance of Issue by the Trust.
Identified Project SPV	Shall mean NTEPL.
Initial Holders	Shall mean collectively, (a) the Anchor Investor; and (b) each other initial subscriber to the Debt Securities who are allotted the Debt Securities pursuant to the subscription on the EBP Bond Platform;
Insurance Contracts	Shall mean the insurance contracts and policies maintained or required to be maintained by the Obligors in terms of the Financing Documents (other than the SPV Financing Documents), Project Documents or Applicable Laws or otherwise in relation to their business and Operations;
Investment Management Agreement	Shall mean the investment management agreement dated October 20, 2022 executed between inter alia the InvIT Trustee and the Investment Manager, as amended, modified or supplemented from time to time;
Investment Manager	Please refer to row titled ''Investment Manager' in Section 3 (*Issue Details*) of this Key Information Document.
InvIT Assets	Shall have the meaning ascribed to it under the SEBI InvIT Regulations;
Issue/Issue Amount / Private Placement	Issue of up to 90,000 (Ninety Thousand) senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities having a face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 9,00,00,00,000 (Rupees Nine Thousand Million only), by way of private placement.
Issue Proceeds	Shall mean the amount raised by the Issuer from the Issue;
Issuer Financing Documents	Shall mean the Financing Documents other than the SPV Financing Documents;
KID or Key Information Document	The key information document dated [●] i.e., this document.
Key Managerial Personnel	Shall mean the key managerial personnel as defined in the Companies Act;
Listing Additional Interest	Means the additional interest payable in the event of delay in listing of the Debt Securities in accordance with row titled *'Default Interest Rate / Additional Interest'* in Section 3(*Issue Details*) of this Key Information Document;
Listing Agreement	The debt listing agreement entered/to be entered into between the Issuer and the Stock Exchange.
Make Whole Amount	Means, in relation to a Debt Security, the aggregate amount in Rupees determined by the Holder in its sole discretion of all costs, expenses, losses or liabilities, that the Holder may incur as a result of that Debt Security being redeemed or accelerated on any date prior to the Redemption Date (whether pursuant to the occurrence of an Event of Default or otherwise) including, without limitation, on account of: (a) prepaying borrowings entered into to fund or hedge all or any part of that Debt Security; (b) reinvesting amounts prepaid or accelerated with respect to that Debt Security (c) terminating or unwinding swaps or any other hedging transactions entered into or maintained for funding or hedging all or any part of that Debt Security (including, without limitation, any interest or other payment in respect of that Debt Security), where, for the avoidance of doubt, the intent of such termination or unwinding is to restore the Holder, whether through an exchange of cash flows, payment of termination or unwinding amounts or otherwise, to its original economic position and reflected in the material terms of such swaps or hedging transactions being terminated or unwound; or (d) entering into any offsetting swaps or other hedging transactions, in each case, taking into account the prevailing market conditions at the time of early

	redemption or acceleration of that Debt Security and determined by the Holder based on information provided to it by relevant counterpart(s) with whom the Holder is terminating or replacing any funding and/or hedging arrangements.
Mandatory Prepayment Proceeds	Means: any proceeds in connection with a breach of warranty or guarantee under any Project Document or, if applicable, Clearances, to the extent not applied (as certified by a chartered accountant) to repair or replace the defective component that is the subject of such warranty or guarantee by the HoldCos or SPV(s); any insurance proceeds (other than third party liability or loss of revenue insurance) to the extent not applied to repair, renovate, restore or re-instate the assets of the respective Project by the HoldCos or SPVs, as certified by Key Managerial Personnel of the Investment Manager or independent chartered accountant, as the case may be; the proceeds of any termination payments/ buy-out payments received from the Concessioning Authority under the Concession Agreement by the HoldCos or SPVs in accordance with the provisions of the relevant SPV Escrow Agreement and SPV Supplementary Escrow Agreement; the proceeds resulting from the expropriation or other takeover event by any Government Authority of the Project or any of its assets or the HoldCos or SPVs; the proceeds over and above the expenses incurred, resulting from an arbitral or judicial award in connection with any of the Project Documents or, if applicable, Clearances, of HoldCos or SPV with respect to any event occurring after the date hereof, (but excluding any proceeds equal to revenue shortfall in such SPV arising in connection with such instance which is subject matter of such arbitral or judicial award) payment received in connection with expiry of any Clearance or under any Project Documents, Provided, for the avoidance of doubt, it is clarified that, Mandatory Prepayment Proceeds shall not include the amounts covered by Pass-through Claims, Earnout Amount and any proceeds received in relation to the Non-Recourse SPVs;
Master Circular for Debenture Trustees or Master Circular for Trustees	SEBI circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024, as amended from time to time
MMR	Please refer to row titled "Major Maintenance Reserve (MMR)" in Section 3 (*Issue Details*) of this Key Information Document
N.A. / NA	Not Applicable
NCS Master Circular or SEBI NCS Master Circular	Master Circular Dated May 22, 2024 Bearing Reference SEBI/HO/DDHS/PoD1/P/CIR/2024/54 Titled "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper" as amended from time to time
New Project SPV	Shall mean the entities mentioned in the table below and "**New Project SPV**" shall mean any one of them. It is clarified that the Issuer shall not have any obligation to require any New Project SPV to execute any documents or undertake any actions as an Obligor unless such New Project SPV is acquired by the Issuer, provided that the Issuer shall be required to ensure execution of documents and taking of actions by such New Project SPVs in accordance with provisions and timelines mentioned in the Key Information Document and the Debt Security Trust Deed;

S. No.	**Name of the New Project SPV**
1.	PNC Aligarh Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Cabin No. 3 NBCC Plaza. Tower II, 4th floor sector V, Saket, New Delhi, India (hereinafter referred to as "**AHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
2.	PNC Bundelkhand Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Cabin No. 5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India, 110017 (hereinafter referred to as "**BHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
3.	PNC Bithur Kanpur Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 3/22-D, Civil Lines Bypass Road, Agra, Uttar Pradesh, India, 282002 (hereinafter referred to as "**BKHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
4.	PNC Bareilly Nainital Highways Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Cabin No 4, NBCC Plaza, Tower II,

		4th Floor. Pushp Vihar, Sector V, Saket, South Delhi, New Delhi, India 110017 (hereinafter referred to as "**BNHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	5.	PNC Chitradurga Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Cabin No. 5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India 110017 (hereinafter referred to as "**CHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	6.	PNC Challakere (Karnataka) Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Cabin No. 3, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India 110017 (hereinafter referred to as "**CKHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	7.	PNC Gomti Highways Private Limited, a company incorporated under the Companies Act2013 and having its registered office at D-51 Kamla Nagar, Agra, Uttar Pradesh, India, 282005 (hereinafter referred to as "**GHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	8.	PNC Khajuraho Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office Cabin No. 5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India 110017 (hereinafter referred to as "**KHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	9.	PNC Meerut Haridwar Highway Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 3/22-D, Civil Lines Bypass Road, Agra, Uttar Pradesh, India, 282002 (hereinafter referred to as "**MHHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	10.	PNC Rajasthan Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Cabin No. 5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India 110017 (hereinafter referred to as "**RHHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	11.	PNC Triveni Sangam Highways Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office Cabin No. 5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi, India 110017 (hereinafter referred to as "**TSHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
	12.	PNC Unnao Highways Private Limited, a company incorporated under the Companies Act, , 2013 and having its registered office D-51 Kamla Nagar, Agra, Uttar Pradesh, India, 282005 (hereinafter referred to as "**UHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)	
Non-Recourse HoldCo or **Non Recourse HoldCo**	Shall mean such HoldCo: (a) which has not availed, nor has any SPV which is held by such HoldCo, availed any Financial Indebtedness from the Issuer; and (b) on behalf of or in respect of which, or on behalf of or in respect of any SPV which is held by such HoldCo, the Issuer has neither incurred nor furnished any Financial Indebtedness, nor (subject to proviso below) has the Issuer executed or put in place any agreements or arrangements on behalf of or in respect of such HoldCo or any SPV which is held by such HoldCo (including to secure or guarantee or provide support in relation to any debt of such HoldCo or SPV which is held by such HoldCo) for any contractual supports or any other financial obligations of whatsoever nature (including by way of, guarantee, overrun support, control obligations, shortfall support, but excluding as stated in Proviso below), provided that, classification of a Holdco as a Non-Recourse HoldCo, shall not be impacted if the Issuer has furnished contractual support / undertaking for retention of management control or to provide support which is not financial in nature and/or create pledge over shares and other securities held by the Issuer in such Non Recourse HoldCo, each as security for any Financial Indebtedness availed by such Non Recourse HoldCo.	
Non-Recourse SPV or **Non Recourse SPV**	Shall mean such SPV: (a) which has not availed any Financial Indebtedness from the Issuer; and (b) on behalf of or in respect of which the Issuer has neither incurred nor furnished any Financial Indebtedness, nor (subject to proviso below) has the Issuer executed or put in place any agreements or arrangements on behalf of or in respect of such SPV (including to secure or guarantee or provide support in relation to any debt of such	

	SPV) for any contractual supports or any other financial obligations of whatsoever nature including by way of, guarantee, overrun support, control obligations, shortfall support (but excluding as stated in proviso below), provided that, classification of an SPV as a Non-Recourse SPV, shall not be impacted if Issuer has furnished contractual support / undertaking for retention of management control or to provide support which is not financial in nature and/or create pledge over shares and other securities held by the Issuer in such Non Recourse SPV, each as security for any Financial Indebtedness availed by such Non Recourse SPV. Notwithstanding anything to the contrary contained herein or in any of the other Financing Documents, it is clarified that GRICL shall at all times be a Non-Recourse SPV.
NSE	National Stock Exchange
Offer Document / Information Memorandum / Issue Document	shall mean collectively, the General Information Document and this Key Information Document issued/proposed to be issued by the Issuer for the Issue, as required under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time).
Obligor	Shall mean the Issuer, the SPVs and Holding Companies;
Operations	Means all the operations, activities and facilities which are required to be undertaken by any Person.
Original Creditors	Shall mean the holders of the Original Debt Securities I, the holders of the Original Debt Securities II, the Original Rupee Lenders I, the Original Rupee Lenders II, the Original Rupee Lenders III, the Original Rupee Lenders IV, the holders of Commercial Paper and the Bank Guarantee Facility Lenders.
Original Debt	Means the Original Rupee Loan I, the Original Rupee Loan II, the Original Rupee Loan III, the Original Rupee Loan IV, the Bank Guarantee Facility, the Original Debt Securities I, the Original Debt Securities II and the Commercial Paper;
Original Debt Securities I	Means non-convertible debt securities for an amount not exceeding Rs. 650,00,00,000 (Rupees Six Hundred and Fifty Crores only) issued by the Issuer by way of private placement, pursuant to the terms of the Original Debt Security Trust Deed I;
Original Debt Securities II	Means non-convertible debt securities for an amount not exceeding Rs. 500,00,00,000 (Rupees Five Hundred Crores only) issued by the Issuer by way of private placement, pursuant to the terms of the Original Debt Security Trust Deed II;
Original Debt Security Trust Deed I	Means the debt security trust deed dated September 20, 2022 executed between the Issuer (as the issuer of the Original Debt Securities I) and Catalyst Trusteeship Limited (as trustee for the Original Debt Securities I), as amended from time to time;
Original Debt Security Trust Deed II	Means the debt security trust deed dated January 15, 2024 executed between the Issuer (as the issuer of the Original Debt Securities II) and Catalyst Trusteeship Limited (as trustee for the Original Debt Securities II), as amended from time to time;
Original Rupee Lenders I	Means the rupee lenders who have extended the Original Rupee Loan I;
Original Rupee Lenders II	Means the rupee lenders who have extended the Original Rupee Loan II;
Original Rupee Lenders III	Means the rupee lenders who have extended the Original Rupee Loan III;
Original Rupee Lenders IV	Means the rupee lenders who have extended the Original Rupee Loan IV;
Original Rupee Loan I	Means facilities of up to Rs. 800,00,00,000 (Rupees Eight Hundred Crores only) availed by the Issuer from the Original Rupee Lenders I pursuant to the Original Rupee Loan Agreement I
Original Rupee Loan II	Means facilities of up to Rs. 1,900,00,00,000 (Rupees One Thousand and Nine Hundred Crores only) availed by the Issuer from the Original Rupee Lenders II pursuant to the Original Rupee Loan Agreement II
Original Rupee Loan III	Means facilities of up to Rs. 49,50,00,00,000 (Rupees Four Thousand Nine Hundred and Fifty Crores only) availed by the Issuer from the Original Rupee Lenders III pursuant to the Original Rupee Loan Agreement III
Original Rupee Loan IV	Means facilities of up to Rs. 33,00,00,00,000 (Rupees Three Thousand and Three Hundred Crores only) availed by the Issuer from the Original Rupee Lenders IV pursuant to the Original Rupee Loan Agreement IV
Original Rupee Loan Agreement I	Means the rupee loan agreement dated September 3, 2022 executed between inter alia the Issuer and the Original Rupee Lenders I as may be amended from time to time;

Original Rupee Loan Agreement II	Means the rupee loan agreement dated October 30, 2023 executed between inter alia the Issuer and the Original Rupee Lenders II as may be amended from time to time;
Original Rupee Loan Agreement III	Means the rupee loan agreement dated January 14, 2025 executed between inter alia the Issuer and the Original Rupee Lenders III as may be amended from time to time;
Original Rupee Loan Agreement IV	Means the rupee loan agreement dated January 14, 2025 executed between inter alia the Issuer and the Original Rupee Lenders IV as may be amended from time to time;
Outstanding External Debt	shall mean at a given point of time, the aggregate outstanding amount of all Financial Indebtedness availed by the Issuer, the Holding Companies and the SPVs at such point of time (save and except any Financial Indebtedness inter se the Obligors)
Pass-through Claims	shall mean all claims between a SPV or HoldCo and the Concessioning Authority and any other claims between the SPV or HoldCo and other third-parties, which relate to a period prior to the date of acquisition of a SPV or HoldCo by the Issuer and have been agreed to be passed through to the erstwhile shareholders (or its Affiliates) of such SPV or HoldCo
Pay In Date	June 10, 2025
Payment Additional Interest	Means the additional interest payable in the event of default in payment of any monies due on the respective Due Dates in accordance with row titled *'Default Interest Rate / Additional Interest'* in Section 3(*Issue Details*) of this Key Information Document;
Permitted Indebtedness	Shall mean, collectively: (a) the Debt Securities; (b) the Original Debt; (c) any bank guarantee facility availed/ to be availed by the Issuer (unsecured or against security of assets which are not charged to the Holders); (d) the Additional Debt incurred in accordance with the terms of the Debt Security Trust Deed; (e) any liability/indebtedness in the books of the Issuer for payment of Pass-through Claims or Earnout Amount; and (f) such other borrowings that may be expressly permitted under the Debt Security Trust Deed or as may be approved by the Trustee (acting on the instructions of the Super Majority Holders) from time to time in writing;
Permitted Other Obligor Indebtedness	Shall mean, collectively: (a) Financial Indebtedness of any SPV or HoldCo which was existing at the time that such SPV or HoldCo was acquired by the Issuer, so long as (i) For any Recourse SPV or Recourse Holdco, such Financial Indebtedness is repaid in full within the Refinance Period, (ii) For Non-Recourse SPV (other than GRICL) or Non-Recourse HoldCo, the aggregate Financial Indebtedness availed by such Non-Recourse SPV or Non-Recourse HoldCo, does not exceed 5% (five percent) of the Outstanding External Debt, it being clarified that GRICL shall be permitted at all times to continue with the external senior secured loans availed by it as of the date of the Debt Security Trust Deed; and (b) any liability / indebtedness in the books of the SPV or HoldCo for payment of Pass-through Claims or Earnout Amount; (c) loan extended by GMR Highways Limited to UEPL; (d) sums borrowed by an SPV or HoldCo from any other Obligor (including any subordinate or unsecured loans that may be provided by the Issuer to the SPVs or the HoldCos.
Permitted Security Interest	Shall mean collectively: (a) the Security Interest on the Security for the benefit of the Original Creditors to secure the Original Debt; (b) the Security Interest on the Security for the benefit of the Holders to secure the Debt Securities; (c) the Security Interest on the Security for the benefit of Additional Lenders and/or Additional Trustee(s); (d) the Security Interest over the assets and securities of each SPV or HoldCo which was created at the time that such SPV or HoldCo was acquired by the Issuer to secure any Permitted Other Obligor Indebtedness under limb (a) of the definition of Permitted Other Obligor Indebtedness and which continues to secure such Permitted Other Obligor Indebtedness for the Refinance Period, provided that in respect of Non-Recourse SPVs or Non-Recourse HoldCo with aggregate Financial Indebtedness not exceeding 5% (five percent) of the Outstanding External Debt, and for GRICL to secure its senior secured loan, the aforementioned period shall not be applicable and

<table>
<tr><td></td><td>the Security Interest may continue;
(e) Security Interest covered under SPV Financing Documents; and
(f) other Security Interest permitted by the Trustee (acting on the instructions of the Super Majority Holders) from time to time in writing or expressly permitted under the Debt Security Trust Deed.</td></tr>
<tr><td>Person</td><td>Means any natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organisation, Governmental Authority or any other entity whether acting in an individual, fiduciary or other capacity;</td></tr>
<tr><td>Pledge Agreement</td><td>The unattested securities pledge agreement dated September 3, 2022 executed by the relevant Pledgors in favour of the Common Security Trustee to secure, inter alia, the Debt Securities and in the form and manner acceptable to the Common Security Trustee to pledge the securities of any of the SPVs and/or the HoldCos and shall include the power of attorney executed by the relevant Pledgor(s), as amended from time to time, and the deeds of accession to the Pledge Agreement executed in accordance with the terms set out therein.</td></tr>
<tr><td>Pledged Securities</td><td>Shall mean the securities pledged under the terms of the Pledge Agreement;</td></tr>
<tr><td>Pledgor</td><td>shall mean any of the HoldCos or the Issuer</td></tr>
<tr><td>Projects</td><td>shall mean the road infrastructure projects being developed and/or operated by the HoldCos or SPVs, and “Project” shall mean any one of them</td></tr>
<tr><td>Project Documents</td><td>mean collectively:
a. Concession Agreements executed by the SPVs in relation to their respective Projects, including any amendments thereto;

b. the Substitution Agreements executed by the SPVs in relation to their respective Projects;

c. the escrow agreements executed by the SPVs in relation to their respective Projects;

d. Insurance Contracts;

e. engineering, procurement and construction contracts (including contracts for the supply of any equipment and materials, installation and commissioning of equipment and materials and civil works, to the extent such contract is surviving, operation and/or maintenance agreements, major maintenance agreements, agreements for services and purchase orders and work orders in relation to the matters set out above, to the extent such agreement/contract is surviving) entered into or issued by any SPV in relation to any of the Projects;

f. any letters of credit, guarantees including bank guarantees and contractor guarantees, performance bonds and any other security issued or provided in favour of or for the benefit of any SPV pursuant to any Project Document;

g. any documents granting or creating any rights of way in respect of the Projects; and

h. any other agreement or document designated as a ‘Project Document’ mutually by the Trustee and the Issuer.
.</td></tr>
<tr><td>Project SPV</td><td>shall mean the entities mentioned in the table below and “Project SPV” shall mean any one of them;
<table>
<tr><th>S. No.</th><th>Name of the Project SPV</th></tr>
<tr><td>1.</td><td>Ateli Narnaul Highway Private Limited (formerly known as H.G. Ateli Narnaul Highway Private Limited), a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Mumbai- 400098, Maharashtra, India (hereinafter referred to as “ANHPL”, which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)</td></tr>
<tr><td>2.</td><td>Dewas Bhopal Corridor Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India (hereinafter referred to as “DBCPL”, which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)</td></tr>
<tr><td>3.</td><td>Godhra Expressways Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India (hereinafter</td></tr>
</table></td></tr>
</table>

			referred to as "**GEPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		4.	Gujarat Road and Infrastructure Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at office of the Office of the Secretary, to the Govt of Roads and Building, Gandhinagar - 382010, Gujarat, India (referred to as "**GRICL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		5.	Gurgaon Sohna Highway Private Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Mumbai, Maharashtra, India, 400098 (hereinafter referred to as "**GSHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		6.	Jodhpur Pali Expressway Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No.601-602, 6th Floor, Windsor House Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India (hereinafter referred to as "**JPEPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		7.	Nirmal BOT Private Limited *(formerly known as Nirmal BOT Limited)*, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, off CST Road, Kalina, Santacruz (East), Mumbai -400098 (hereinafter referred to as "**NBPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		8.	Rewari Ateli Highway Private Limited *(formerly known as H.G. Rewari Ateli Highway Private Limited)*, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Mumbai- 400098, Maharashtra, India (hereinafter referred to as "**RAHPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		9.	Shillong Expressway Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India (hereinafter referred to as "**SEPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		10.	Swarna Tollway Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Maharashtra, India, 400098 (hereinafter referred to as "**STPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		11.	Ulundurpet Expressways Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai - 400098, Maharashtra, India (hereinafter referred to as "**UEPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		12.	Udupi Tollway Private Limited *(formerly known as Navayuga Udupi Tollway Private Limited)*, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Mumbai- 400098, Maharashtra, India (hereinafter referred to as "**UTPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		13.	Bangalore Elevated Tollway Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India (hereinafter referred to as "**BETPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)

		14.	Rewari Bypass Private Limited (formerly known as H.G. Rewari Bypass Private Limited), a company incorporated under the Companies Act, 2013 and having its registered office at 14, Panchwati Colony, Ratanada, Jodhpur – 342001, Rajasthan, India (hereinafter referred to as "**RBPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
		15.	North Telangana Expressway Private Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai-400098 (hereinafter referred to as "**NTEPL**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns)
Prudent Industry Practice	Means those practices, methods, acts, techniques and standards which involve the exercise of the degree of skill, care and operating practice which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking as the Obligors		
Public Official	Shall mean (a) any individual exercising a legislative, administrative or judicial function, whether appointed or elected; (b) any officer, employee or representative of any Governmental Authority or instrumentality of a Governmental Authority, including but not limited to central banks, sovereign wealth funds, state-run hospitals and any business venture that is owned or controlled by a Governmental Authority; (c) any candidate for or holder of public office; (d) any political party or official of a political party; (e) any officer, employee or representative of a public international organisation; (f) any member of a royal family; and (g) any officer, employee or representative of a counterparty under a Concession Agreement entered into by any SPV;		
Purpose	Please refer to clause titled ***'Objects of the Issue / Details of utilization of Issue proceeds' in Clause 1.16 (Instrument Specific Details***		
QIBs	Qualified institutional buyers, as defined in Regulation 2(1)(ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.		
Rating Agency or **Indian Rating Agency**	Shall mean any of ICRA, CRISIL, India Ratings or any other accredited credit rating agency(ies) mutually agreed by the Holders and the Issuer.		
Recourse Holdco	Shall mean each Holdco which is not a Non-Recourse Holdco;		
Recourse SPV	Shall mean each SPV which is not a Non-Recourse SPV;		
Redemption Account	shall mean the account having account no. 055505011519 and opened, operated and maintained by the Issuer with ICICI Bank Limited from where the Redemption Price will be paid		
Redemption Amount	Please refer to row titled *'Redemption Amount'* in Section 3 (*Issue Details*)		
Related Party(ies)	Related parties, as defined under Regulation 2(1)(zv) of the SEBI InvIT Regulations, under the applicable accounting standards and shall also include (i) Parties to the Trust; and (ii) the promoters, directors and partners of the Parties to Trust.		
Relative	Shall mean a person's spouse, father, mother (including stepmother), son (including stepson), son's wife, daughter (including stepdaughter), daughter's husband, brother (including stepbrother), brother's wife, sister (including stepsister), sister's husband, brother (including stepbrother) of the spouse and sister (including stepsister) of the spouse;		
Relevant HoldCos	Shall mean, collectively, as on the relevant date, all such HoldCos (not being Non-Recourse Holdcos) which meet the following conditions (a) security as per the security clause of the Debt Security Trust Deed in relation to each such HoldCo has been created for the benefit of the Holders; and (b) cash flows of such HoldCo are deposited in the Escrow Account as required under the Debt Security Trust Deed, and (c) such HoldCo does not have any Financial Indebtedness at its level other than Financial Indebtedness availed from the Issuer, and "**Relevant HoldCo**" shall mean each or any of the Relevant HoldCos, as the subject or context may permit or require.		
Relevant SPVs	Shall mean, as on the relevant date, collectively, all such SPVs (not being Non-Recourse SPVs) which meet the following conditions (i) security as per Clause 31 (*Security*) of the Debt Security Trust Deed in relation to each such SPV is created for the benefit of the Holders; (ii) cash flows of such SPV are deposited in the Escrow Account as required under the Debt Security Trust Deed; and (iii) such SPV does not have any Financial Indebtedness at its level other than Permitted Other Obligor Indebtedness and "**Relevant SPV**" shall mean each or any of the Relevant SPVs, as the subject or context may permit or require		
SEBI ILNCS Regulation	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021.		
SEBI InvIT	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as		

Regulations or InvIT Regulations	amended.
SEBI Guidelines	Shall include all the applicable provisions as mentioned in the following and as may be amended / replaced from time to time: (a) the SEBI InvIT Regulations; (b) the Debenture Trustee Regulations; (c) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable to InvITs; (d) the SEBI NCS Master Circular (e) the Master Circular for Debenture Trustees; (f) the SEBI circular bearing reference number SEBI/HO/DDHS/DDHS_Div1/P/CIR/2023/64 dated May 3, 2023 titled 'Introduction of Legal Entity Identifier (LEI) for issuers who have listed and/ or propose to list non-convertible securities, securitised debt instruments and security receipts'; (g) SEBI circular bearing reference number SEBI/HO/DDHS/RACPOD1/CIR/P/2023/003 dated January 5, 2023 titled 'Extension of timelines for entering and verification of the details of the existing outstanding non-convertible securities in the 'Security and Covenant Monitoring' system hosted by Depositories'; (h) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; and/ or (i) the SEBI Master Circular for InvITs; (j) any other notification, circular, press release, guidelines issued by SEBI from time to time in relation to and as applicable to the transactions contemplated by the Financing Documents and/or other applicable statutory and/or regulatory requirements by SEBI, in each case to the extent applicable to the Issuer.
SEBI Master Circular for InvITs	Master circular for infrastructure investment trusts bearing number SEBI/HO/DDHS-PoD-2/P/CIR/2024/44dated May 15, 2024 issued by SEBI, as amended from time to time
Secured Assets	Shall mean all the assets (whether tangible or intangible or movable or immovable) of the Issuer or any other Obligors over which Security Interest will be created under the Security Documents for benefit of the Holders;
Secured Indebtedness	Shall mean the financial assistance availed by the Issuer in the form of debt securities, rupee loans (including the Original Debt), demand loans, working capital facilities (including letters of credit facilities and bank guarantee facilities), external commercial borrowings, hedging facilities, bonds, notes or any other instruments or credit facilities, which in each case shall be limited to financial assistances provided by such Persons who are or become party to the Common Security Trustee Agreement);
Secured Parties or Finance Parties	Means collectively, the Common Security Trustee, the Trustee and the Holders;
Security	Please refer to the row titled *'Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation'* in Section 3 (*Issue Details*).
Security Additional Interest	Means the additional interest payable in the event of delay in creation or perfection of Security in accordance with row titled *'Default Interest Rate / Additional Interest'* in Section 3(*Issue Details*) of this Key Information Document;
Security Cover	Means, on any day, the result obtained by dividing: (a) the amount in Rupees that is the aggregate of the principal amount of the assets that are subject to the Security created on a first ranking pari passu basis in favour of the Trustee in accordance with the Security Documents as on that day; by (b) the amount in Rupees that is sum of: (i) the aggregate amount of coupon accrued and unpaid in respect of the Debt Securities on that day, (ii) the aggregate of the principal amount of all Financial Indebtedness of the Issuer outstanding as on that day and secured by a first ranking pari passu Security over the assets mentioned in paragraph (a) above, and (iv) the aggregate amount of interest accrued and unpaid in respect of the Financial Indebtedness referred to in (ii) above, (c) multiplied by 100 (one hundred); provided that for the purposes of the Master Circular for Debenture Trustees, the Security Cover shall be calculated as provided under the Master Circular for Debenture Trustees.

Security Documents	Shall mean all documents entered into or executed by the Issuer and/or the Security Providers for creating and perfecting the Security, in form and substance acceptable to the Common Security Trustee (as the case may be), including: (a) the Common Security Trustee Agreement and any deeds of accession thereto; (b) the Pledge Agreements; (c) powers of attorney in relation to the Pledge Agreements; (d) the Deed of Hypothecation; (e) power of attorney in relation to the Deed of Hypothecation; (f) all documents, deeds, undertakings, power(s) of attorney, etc. , entered into or executed by the Issuer or any other Person for creating and perfecting any Security Interest to secure the Debt Securities Outstandings; and (g) any other document including any deeds of assignment, guarantees or powers of attorney, required by the Common Security Trustee, or designated as such by the Issuer and the Common Security Trustee
Security Interest	Shall mean (i) any mortgage, charge (whether fixed or floating), pledge, lien (statutory or other), hypothecation, assignment, deposit, arrangement, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, preference, priority, right of a Person to deal with any assets or rights including as an attorney or other security agreement of any kind or nature whatsoever including without limitation any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease, any other agreement any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, (ii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person, and/or (iii) any adverse claim as to title, possession or use.
Security Provider	shall mean the Issuer, the Pledgors and any other Person creating a Security Interest, inter alia, to secure the Issue
Sponsor	Please refer to row titled *'Sponsor'* in Section 3 (*Issue Details*) of this Key Information Document.
SPV and HoldCo Undertaking	Shall mean the undertaking to be provided by each SPV and HoldCo to the satisfaction of the Trustee in relation to the obligations mentioned in row titled '*SPV/HoldCo Undertakings'* in Section 3 *(Issue Details)* of this Key Information Document.
SPV Deed of Hypothecation	shall mean the deed of hypothecation executed or to be executed by each SPV in relation to the hypothecation of its movable assets, banks accounts and all other assets in favour of the Issuer (or the SPV Security Trustee)
SPV Escrow Account	shall mean the accounts opened under each SPV Escrow Agreement and till such time as the SPV Escrow Agreement and SPV Supplementary Escrow Agreement is executed by all parties thereto, shall mean the existing escrow accounts of the SPVs opened and maintained in relation to the Projects
SPV Escrow Bank	shall mean any lenders under the Original Debt as may be decided by the Issuer in consultation with the Trustee
SPV Escrow Agreement	shall mean the escrow agreement executed or to be executed between each SPV, the Issuer (in its capacity as a lender to the SPV or acting through the lenders' representative), the SPV Escrow Bank and the Concessioning Authority
SPV Financing Documents	Shall mean and include the following with respect to the facilities extended by the Issuer to the SPVs or HoldCos : (a) facility agreements executed by the Issuer and the SPVs or HoldCos in connection with the Issuer Loans; (b) SPV Escrow Agreement; (c) SPV Supplementary Escrow Agreement; (d) SPV Deed of Hypothecation; (e) Power of attorney in relation to SPV Deed of Hypothecation; (f) Security trustee agreement for appointment of SPV Security Trustee; (g) Substitution Agreement; and (h) any other agreement or document designated as a 'SPV Financing Document' mutually by the Common Security Trustee and the Issuer
SPV Security Trustee	shall mean Catalyst Trusteeship Limited or any other trustee appointed under the SPV Financing Documents
SPV Supplementary Escrow Agreement	shall mean the supplementary escrow agreement executed or to be executed between each SPV, the Issuer (in its capacity as a lender to the SPV or acting through the lenders' representative), the SPV Escrow Bank
Statutory Auditors	S B Billimoria & Co LLP (recommended by Audit Committee and approved by Board subject to appointment by unit holders during 3rd Annual Meeting of the unitholders of the Trust). The audited financials enclosed in **Annexure 5** have been audited by Walker Chandiok & Co LLP (resigned w.e.f. end of business hours on May 16, 2025) referred to as predecessor auditor.
Stock Exchange	BSE
Substitution	shall mean the substitution agreement executed or to be executed between each SPV, the Issuer (in its

Agreement	capacity as a lender to the SPV or through the lenders' representative) and the Concessioning Authority
Toll Based SPV	shall mean any SPV which has entered into a Concession Agreement with the relevant Concessioning Authority on a 'TOT basis'
Trading Day	Means a day on which the Stock Exchange is open for trading, other than Saturday, Sunday and bank holidays as specified by SEBI;
Transaction Documents	Means collectively, the Financing Documents and the Project Documents
Trust Deed	shall mean the amended and restated trust deed dated March 4, 2024 entered into between inter alia the Sponsor and the InvIT Trustee, as amended and restated, supplemented or modified from time to time
Trust Documents	shall mean collectively: (a) the Trust Deed; (b) the Investment Management Agreement; (c) the Project Management Agreements; (d) any agreement between the InvIT Trustee and/or the Investment Manager with respect to the Issuer; (e) any agreement between the InvIT Trustee and/or the Project Manager with respect to the Issuer; (f) any other documents executed or to be executed by the Issuer from time to time and designated as a 'Trust Document' by the Issuer and the Trustee
Trustee Agreement	Means the trustee agreement dated May 27, 2025 entered between the Issuer and the Trustee for the appointment of the Trustee in relation to the Debt Securities and to discharge its functions under the Financing Documents.
Unit	Shall mean an undivided beneficial interest in the Issuer, and such Units together represent the entire beneficial interest in the Issuer.
Unitholder	Shall mean any Person who owns Units of the Issuer.
Valuation Report	Shall mean any of the valuation reports received by the Investment Manager from the Valuer, in relation to the InvIT Assets, in accordance with the SEBI InvIT Regulations and other Applicable Law.
WDM	Wholesale Debt Market.

Note: Other terms used but not defined in this Key Information Document shall have the meanings ascribed to such term in the General Information Document, and if not defined thereunder, the Debt Security Trust Deed.

This Key Information Document shall be read in conjunction with the General Information Document, the Debt Security Trust Deed and the other Transaction Documents entered into in relation to the Debt Securities and it is agreed between the Debt Security Trustee and the Investment Manager that in case of any inconsistency or conflict between this Key Information Document and the Debt Security Trust Deed, the provisions of the Debt Security Trust Deed shall prevail and override the provisions of this Key Information Document. Further should the Anchor Investor participate and is allotted Debt Securities, the Issuer shall be required to abide with certain operational policy requirements that is applicable to all investments by the Anchor Investor.

1.2 DISCLAIMERS

THE DEBT SECURITIES AND/OR COMMERCIAL PAPERS (AS APPLICABLE) HAVE NOT BEEN RECOMMENDED OR APPROVED BY RBI/ SEBI/IRDAI, NOR DOES RBI/ SEBI/IRDAI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS GENERAL INFORMATION DOCUMENT OR THE RELEVANT KEY INFORMATION DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY RBI/ SEBI/IRDAI. RBI/ SEBI/IRDAI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROPOSAL FOR WHICH THE DEBT SECURITIES AND/OR COMMERCIAL PAPERS (AS APPLICABLE) ISSUED HEREOF IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT OR THE RELEVANT KEY INFORMATION DOCUMENT. RBI/ SEBI RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE ISSUER OR THE MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS GENERAL INFORMATION DOCUMENT AND/OR THE KEY INFORMATION DOCUMENT.

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus. The offering of Debentures, to be listed on the wholesale debt segment of BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. Nothing in this Key Information Document shall constitute and/or deem to constitute an offer or an invitation to offer to the public or any section thereof to subscribe for or otherwise acquire the Debentures in general under any law for the time being in force.

The contents of this Key Information Document are intended to be used only by those Identified Investors to whom this Key Information Document is issued. It is not intended for distribution to any other person and should not be reproduced by the recipient. No invitation is being made to any person other than the Identified Investor to whom this Key Information Document has been sent. Invitations, offers and sales of the Debentures shall only be made pursuant to this Key Information Document. The person who is in receipt of this Key Information Document shall maintain utmost confidentiality regarding the contents of this Key Information Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer. All Identified Investors are required to comply with the relevant regulations and guidelines applicable to them for investing in this Issue. It is the responsibility of the Identified Investors to have obtained all consents, approvals or authorizations required by them to participate in the Issue.

This Key Information Document is issued by the Issuer. This Key Information Document does not purport to contain all the information that any Identified Investor may require. Further, this Key Information Document has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

The Issuer confirms that the information contained in this Key Information Document is true and correct in all material respects and is not misleading in any material respect to the best of its understanding. All information considered adequate and relevant about the Issue and the Issuer has been made available in the Key Information Document for the use and perusal of the Identified Investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Issuer does not undertake to update this Key Information Document to reflect subsequent events after the date of this Key Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

The Issuer accepts no responsibility for statements made other than in this Key Information Document (and the General Information Document and any relevant pricing or other supplements) or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Debentures and that anyone placing reliance on any other source of information would be doing so at their own risk.

The purpose of the Key Information Document is to provide general information about the Issuer and to assist recipients, who are willing and eligible to invest in the Debentures. Neither the Key Information Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of the Key Information Document should not consider such receipt a recommendation to purchase any Debentures.

Each Identified Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Identified Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such Identified Investor's particular circumstances. By subscribing to the Issue, Identified Investors shall be deemed to have acknowledged that the Issuer does not owe them a duty of care in this respect. Accordingly, none of the Issuer's officers or employees shall be held responsible for any direct or consequential losses suffered or incurred by any recipient of the Key Information Document as a result of or arising from anything expressly or implicitly contained in or referred to in the Key

Information Document or any information received by the recipient in connection with this Issue.

Neither the intermediaries nor their agents nor advisors associated with the issue of Debentures undertake to review the financial condition nor affairs of the Issuer during the duration of the arrangements contemplated by the Key Information Document or have any responsibility to advise any Eligible Investor in the Debentures of any information coming to the attention of any other intermediary.

The Issuer reserves the right to withdraw the Issue prior to the Issue's closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in Applicable Laws. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

LIMITS ON DISTRIBUTION

The Key Information Document and any other information supplied in connection with the Key Information Document are not for distribution (directly or indirectly) in any jurisdiction other than India unless the Issuer has intentionally delivered the Key Information Document and any other information supplied in connection with the Key Information Document in such jurisdiction and even then only for the limited purpose intended by the Issuer. They are not an offer for sale of Debentures, nor a solicitation to purchase or subscribe for Debentures, in any jurisdiction where such offer, sale or solicitation would be unlawful. The Debentures have not been and will not be registered under the laws of any jurisdiction (other than India; to the extent mandatory under Applicable Laws in India). The distribution of the Key Information Document in certain jurisdictions may be prohibited by law. Recipients are required to observe such restrictions and neither the Issuer accept any liability to any person in relation to the distribution of information in any jurisdiction.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The Issue Document has not been, and shall not be, filed with or submitted to SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that the Issue Document should not in any way be deemed or construed to have been approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in the Issue Document. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of these Debt Securities have been or will be made in India to investors as specified under paragraph titled "Who Can Apply" in the General Information Document, who have been or shall be specifically approached by the Issuer. The Issue Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debt Securities offered hereby to any person to whom it is not specifically addressed. The Debt Securities are governed by and shall be construed in accordance with the existing Indian laws as applicable in the National Capital Territory of Delhi. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals of the city of Delhi. However, the Trustee and the Holders shall have the right to go to any other court of competent jurisdiction.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Key Information Document along with the General Information Document shall be submitted to the Stock Exchange(s) for hosting the same on its website.

It is to be distinctly understood that such submission of this Key Information Document along with the General Information Document with Stock Exchange(s) or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document or the General Information Document; nor does it warrant that the Issuer's Debentures will be listed or continue to be listed on the Stock Exchange; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or projects of the Issuer or its subsidiaries. Every person who desires to apply for or otherwise acquire the Debentures of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE TRUSTEE

The Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures. While the Debentures are secured to the tune of at least 100%

of the principal and interest amount or as per the terms hereunder, in favour of Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. The Trustee does not make nor deems to have made any representation on the Issuer, its operations, the details and projections about the Issuer or the Debentures under offer made in this Key Information Document / Application Letter. Applicants / Investors are advised to read carefully the Key Information Document / Application Letter and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the Key Information Document/ Application Letter before taking their investment decision. The Trustee shall not be responsible for the investment decision and its consequences.

DISCLAIMER OF THE CRISIL RATINGS LIMITED

A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301.

ANCHOR INVESTOR DISCLAIMER

INTERNATIONAL FINANCE CORPORATION ("IFC") IS THE LARGEST GLOBAL DEVELOPMENT INSTITUTION FOCUSED ON THE PRIVATE SECTOR IN DEVELOPING COUNTRIES AND IS PART OF THE WORLD BANK GROUP. SUBJECT TO THE FINAL TERMS AND CONDITIONS OF THE OFFERING OF THE DEBT SECURITIES AND SATISFACTION OF CERTAIN CONDITIONS PRECEDENTS, IFC IS CONSIDERING SUBSCRIBING FOR AN AGGREGATE PRINCIPAL AMOUNT OF RS. 2,70,00,00,000.00 (RUPEES TWO THOUSAND SEVEN HUNDRED MILLION ONLY) AS AN ANCHOR INVESTOR FOR THE DEBT SECURITIES. NOTWITHSTANDING IFC'S INTEREST IN THE PROPOSED INVESTMENT, IFC MAY SELL ITS DEBT SECURITIES AT ANY TIME IN THE FUTURE. POTENTIAL INVESTORS SHOULD NOT PLACE ANY RELIANCE ON IFC'S POTENTIAL INVESTMENT WHEN MAKING THEIR INVESTMENT DECISIONS. IFC SHALL NOT BE LIABLE TO ANY PERSON INCLUDING ANY OTHER POTENTIAL INVESTOR OF THE DEBT SECURITIES FOR ANY LOSSES, DAMAGES, COSTS, EXPENSES OR LIABILITIES, ARISING OUT OF OR IN CONNECTION WITH IFC ACTING AS THE ANCHOR INVESTOR AND NO PERSON SHOULD PLACE ANY RELIANCE ON IFC'S INVESTMENT AS THE ANCHOR INVESTOR, WHEN MAKING THEIR INVESTMENT DECISIONS.

ISSUE OF DEBT SECURITIES IN DEMATERIALISED FORM

The Debt Securities will be issued only in dematerialized form. The Issuer has made arrangements with the Depositories for the issue of the Debt Securities in dematerialized form. Identified Investors will have to hold the Debt Securities in dematerialized form as per the provisions of Depositories Act 1996. The DP's name, DP ID and beneficiary account number must be mentioned at the appropriate place in the application form. The Issuer shall take necessary steps to credit the Debt Securities allotted to the depository account of the investor. The Issuer shall ensure that the Debt Securities are credited to the demat accounts of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment, subject to EBP Mechanism Guidelines.

1.2.1 Issue Related Terms

Term	Description
Trustee to the Issue	**Name:** Catalyst Trusteeship Limited **Address**: 901, 9th Floor, Tower-B Peninsula Business Park, Senapati Bapat Marg Lower Parel (W) Mumbai- 400013 **Phone No**.: 022-49220548 **E-mail**: priti.shetty@ctltrustee.com **Contact Person**: Priti Shetty **Website**: www.catalysttrustee.com
Credit Rating Agency/ies for the Debentures	**Name:** CRISIL Ratings Limited **Address**: Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076. **Phone No**.: +91 22 3342 3000 **E-mail**: crisilratingdesk@crisil.com **Contact Person**: Anand Kulkarni **Website**: www.crisil.com
Date of Issue Document	June 02, 2025
Type of Issue Document	Key Information Document
Security Name	7.40% Highways Infrastructure Trust 2041- Series IV
Type of Instrument	Senior, secured, listed, rated, taxable, redeemable, non-convertible debt securities
The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	90,000 (Ninety Thousand Only) senior, secured, listed, rated, taxable, redeemable, non-convertible debt securities ("**Debentures")** of a face value of Rs.1,00,000 (Rupees One Lakh Only) each aggregating up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only) (being the Series IV Debt Securities)
The aggregate amount proposed to be raised through all the stages of offers of non- convertible securities made through the shelf prospectus under section 31 of the Companies Act, 2013 (18 of 2013)	Not Applicable
Issue Schedule: **1. Issue / Bid Opening Date** **2. Issue / Bid Closing Date** **3. Date of earliest closing of the issue** **4. Pay – in – Date** **5. Deemed Date of Allotment**	1. June 06, 2025 2. June 06, 2025 3. N.A. 4. June 10, 2025 5. June 10, 2025 The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws. The Issue will be open for bidding as per bidding window that would be communicated through the BSE Bond - EBP Platform.
Credit Rating / All the ratings obtained for the private placement	The Debentures proposed to be issued under this Issue have been rated Crisil AAA/Stable by Crisil vide its rating letter dated May 21, 2025; as released by Credit Rating Agency are attached as **Annexure 1**.
Name(s) of the stock exchanges where the securities are proposed to be listed	BSE

Term	Description
Details of Eligible Investors / Eligible Participants/ Eligible Debenture Holder	Eligible investors shall include all persons eligible to invest in these Debentures as permitted under Applicable Laws including but not limited to the following resident individuals, k. hindu undivided family, l. trust, m. limited liability partnerships, partnership firm(s), n. portfolio managers, o. association of persons, p. companies and bodies corporate including public sector undertakings, q. commercial banks, regional rural banks, financial institutions, and non-banking financial companies, r. insurance companies, s. mutual funds/ alternative investment fund (AIF), t. foreign portfolio investors, and u. any other investor eligible to invest in these Debentures, in each case, as may be permitted under Applicable Law.
Coupon Rate	shall mean the interest at the rate of 7.40% per annum payable quarterly (being the initial coupon rate); or such other rate as may be reset in accordance with of the provisions of the Debt Security Trust Deed), and payable on each Coupon Payment Date pursuant to the terms of the Debt Security Trust Deed and the Key Information Document.
Coupon Payment Date(s)	means each of March 31, June 30, September 30 and December 31 subject to [clause (i) of row titled 'Business Day Convention' in Section 3 (*Issue Details*)]
Coupon Payment Frequency	Quarterly
Redemption Date/ Final Redemption Date	"Redemption Date" means, in respect of the Debt Securities, (a) the Final Redemption Date; or (ii) each other redemption date prior to the Final Redemption Date on which any Debt Securities are required to be redeemed, in accordance with the Redemption Schedule. "Final Redemption Date" shall mean 31 December 2041.
Redemption Amount	Shall mean, on any Redemption Date, the portion of the Debt Securities Amount required to be redeemed in accordance with the Redemption Schedule on that Redemption Date or the Early Redemption Amount, as applicable

1.3 Credit Rating of Debentures

The Debentures proposed to be issued under this Issue have been rated Crisil AAA/Stable (pronounced as Stable) by Crisil Ratings Limited vide its rating letter dated May 21, 2025.

This indicates highest degree of safety regarding timely servicing of financial obligation.

The rating is not a recommendation to buy, sell or hold Debentures and investors should take their own decisions. The rating may be subject to suspension, revision or withdrawal at any time by the assigning Credit Rating Agency. The Credit Rating Agency has a right to revise, suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or other circumstances which the Credit Rating Agency believes may have an impact on its rating.

The rating letters and rationales as released by Credit Rating Agency are attached as **Annexure 1**.

The Issuer hereby declares that the rating issued by the Credit Rating Agency is valid as on the date of issuance and listing of the Debentures.

1.4 Listing of Debentures

The Debentures are proposed to be listed on the wholesale debt market segment of BSE within 3 (three) Trading Days from the date of bidding on the EBP Platform. The Trust has obtained In-principle approval from the Stock Exchange on [●]. A copy of the same is attached as **Annexure 2**. The Issuer shall comply with the requirements of the Listing Agreement for the Debentures to the extent applicable to it on a continuous basis.

REFUSAL IN LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad.

LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Trust on the stock exchanges.

1.5 Recovery Expense Fund

Please refer to row titled *"Creation of recovery expense fund"* in section "I*ssue Details"*.

1.6 Issue Schedule

Issue / Bid Opening Date	6 June 2025
Issue / Bid Closing Date	6 June 2025
Date of earliest closing of the issue	Not applicable
Pay-In Date	10 June 2025
Deemed Date of Allotment	10 June 2025
The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws.	

1.7 Name and contact details of Legal Counsel and Other Parties

Legal Counsel to the Issuer

Name: J. Sagar Associates
Address: B 303, 3rd Floor, Ansal Plaza, Hudco Place August Kranti Marg, New Delhi – 110049, India
Contact No.: +911143110600
Website: www.jsalaw.com
Contact Person: Karan Mitroo
Email: karan.mitroo@jsalaw.com

Legal Counsel to the Holders

Name : Cyril Amarchand Mangaldas
Address: Peninsula Chambers, Peninsula Corporate Park, GK Marg, Lower Parel, Mumbai – 400 013, India
Contact No.: +91 120 669 9000
Website: https://www.cyrilshroff.com
Contact Person: Uday Khare
Email: uday.khare@cyrilshroff.com

Guarantor, if applicable	Not Applicable
Anchor Investors	International Finance Corporation (IFC)

1.8 Expenses of the Issue

Sr. No.	Nature of Expenses	Estimated Amount of Expenses (Rs. crore)*	% of Total Issue Expenses	% of Issue Size of Rs. 900 Crores
1.	Lead Manager(s) fees	Not Applicable, as this is not a public issue of the Debentures		
2.	Underwriting commission	Not Applicable, as this is not an underwritten issue		
3.	Brokerage, selling commission and upload fees	Not Applicable, as this is not a public issue of the Debentures		
4.	Fees payable to Registrars to the Issue	0.0010	0.0133%	0.0001%
5.	Advertising and marketing expenses	Not Applicable, as this is not a public issue of the Debentures		
6.	Fees payable to the regulators including stock exchanges	0.2300	3.0686%	0.0256%
7.	Expenses incurred on printing and distribution of issue stationary	Not Applicable, as this is not a public issue of the Debentures		
8.	Any other fees, commission or payments under whatever nomenclature	7.2642[1]	96.9180%	0.8071%
	Total	7.2642	100.0000%	0.8328%

[1]includes fees payable to IFC for their participation as Anchor Investor. The same is contingent upon bidding by such anchor investor on EBP on the Bid Open Date for the Issue Size.

**The above expenses are indicative, exclusive of taxes and are subject to change depending on the actual level of subscription to the Issue and the number of allottees, market conditions and other relevant factors and will be payable at the discretion of the Issuer.*

1.9 Registrar to the Issue

The Trust has appointed MUFG Link Intime India Private Limited, as the Registrar for the Issue. A copy of the consent letter from the Registrar is attached in this Key Information Document as **Annexure 3**.

1.10 Trustee

Catalyst Trusteeship Limited having its corporate office at 901, 9th Floor, Tower-B Peninsula Business Park, Senapati Bapat Marg Lower Parel (W) Mumbai- 400013 India has been appointed as Trustee for the proposed Issue. The Trustee has given its consent to the Issuer for its appointment (Copy of consent letter from the Trustee is attached as **Annexure 4**).

The Trust has entered into a Trustee Agreement with the Trustee. The Trust will enter into a Debt Security Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Trust and the Trustee in respect of the Debentures.

The Debenture Holders shall, by subscribing to the Debentures or by purchasing the Debentures and without any further act or deed, be deemed to have irrevocably given their consent to and authorised the Trustee or any of their Agents or authorised officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Key Information Document. All rights and remedies under the Debt Security Trust Deed / Trustee Agreement and/or other security documents shall rest in and be exercised by the Trustee without having it referred to the Debenture Holders. Any payment made by the Trust to the Trustee on behalf of the Debenture Holder(s) shall discharge the Trust pro tanto to the Debenture Holder(s).

The Trustee will protect the interest of the Debenture Holders in the event of default by the Trust in regard to timely payment of interest and Redemption Amount and they will take necessary action at the cost of the Issuer. However, the Trustee, ipso facto does not have the obligations of a borrower or issuer or a principal debtor or a guarantor as to the monies paid / invested by investors for the Debentures.

1.11 Rights of Debenture Holders

The Debt Securities shall not, confer upon the holders thereof any rights or privileges available to the Unit Holders of the Issuer including the right to receive notices or annual reports of, or to attend and/or vote, at the meetings of the Issuer. However, if any resolution affecting the rights attached to the Debt Securities is to be placed before the Unit Holders, the said resolution will first be placed before the concerned registered Debt Security Holders for their consideration.

The Debt Securities are subject to the provisions of the Debt Security Trust Deed and the terms of the General Information Document and this Key Information Document. Over and above such terms and conditions, the Debt

Securities shall also be subject to other terms and conditions as may be incorporated in the Debt Security Trust Deed / Trustee Agreement/ letters of allotment/ debenture certificates, guidelines, notifications and regulations issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debt Securities.

1.12 If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the Key Information Document.

NA

1.13 Disclosure of cash flow with date of interest/ redemption payment as per day count convention

a. Business day conventions / effect of holidays:

Please refer to row titled *'Business Day Convention' and 'Day Count Basis'* in Section "*Issue Details*"

b. Procedure and time schedule for allotment and issue of Debentures:

Please refer to the row titled *"Application/ Bidding Process"* under section titled "*Issue Details*" of this Key Information Document.

1.14 Other Details Pertaining to the Issue

The Issuer has appointed Catalyst Trusteeship Limited to act as the Trustee for the Debenture Holders.

A copy of letter from Catalyst Trusteeship Limited dated 20 May 2025 conveying their consent to act as Trustees for the Debenture Holders is enclosed elsewhere in this Key Information Document.

The Issuer and the Trustee have entered into a Trustee Agreement, inter alia, specifying the powers, authorities and obligations of the Issuer and the Trustee in respect of the Debentures.

All the rights and remedies of the Debenture Holder(s) shall vest in and shall be exercised by the said Trustee without having it referred to the Debenture Holder(s).

Any payment made by the Issuer to the Trustee on behalf of the Debenture Holders shall discharge the Issuer pro-tanto to the Debenture Holder(s).

The Trustee will protect the interest of the Debenture Holder(s) in the 'Event of Default' by the Trust in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Trust.

1.15 Other Details

(i) DRR creation - relevant legislations and applicability:

The provisions of the Companies Act, 2013 applicable to companies and body corporates require maintenance of debenture redemption reserve by an issuer of debt securities under Section 71 of the Companies Act, 2013, upon availability of distributable profits in the company. The provisions of the Companies Act, 2013 however do not apply to a trust constituted and registered under the InvIT Regulations in furtherance of the provisions of the SEBI Master Circular for InvITs.

The Trust, being an infrastructure investment trust is not required to maintain a DRR for the Debentures.

(ii) Issue/instrument specific regulations – relevant details (Companies Act, RBI guidelines etc.):

The Debentures offered are subject to provisions of the SEBI ILNCS Regulations, the InvIT Regulations, the SEBI LODR Regulations, the Securities Contracts (Regulation) Act, 1956, as amended, the SEBI (Debenture Trustee) Regulations, 1993 and the Depositories Act, 1996, as amended and rules and regulations made under these enactments.

(iii) Purchase and Sale of Debentures

The Issuer will have the power exercisable at its absolute discretion from time to time to purchase some or all the Debt Securities at any time prior to the specified date(s) of redemption, at discount, at par or at premium from the open market in accordance with the applicable laws. Such Debt Securities at the option of the Issuer, may be

cancelled, held or resold at such price and on such terms and conditions as the Trust may deem fit and as permitted by law.

(iv) Governing Law and Provisions

The Debt Securities shall be governed by Indian law and shall be subject to the exclusive jurisdiction of courts of New Delhi. However, Trustee and the Holder shall have the right to go to any other court of competent jurisdiction.

The Debentures offered are subject to provisions of the Securities Contracts (Regulation) Act, 1956, terms of the General Information Document, this Key Information Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and/or Debt Security Trust Deed/ Deed of Hypothecation / other security documents, if any. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act, 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment and issue of capital and listing of securities issued from time to time by SEBI, concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures.

(v) Default in Payment:

Please refer to the row titled "*Additional Rate/ Default Interest Rate*" under section titled "*Issue Details*" of this Key Information Document, setting out the consequences pursuant to any default in payment of Debentures.

(vi) Delay in Listing:

Please refer to the row titled *"Additional Rate/Default Interest Rate"* under section titled "*Issue Details*" of this Key Information Document, setting out the consequences pursuant to any delay in listing of Debentures.

(vii) Delay in allotment of securities:

The beneficiary account of the investor(s) with NSDL/CDSL / Depository Participant will be given initial credit within 2 (two) working days from the date of closure of the issue and confirmation of the credit of Debentures shall be provided by the relevant Depository within 2 (two) working days from the date of closure of the Issue. The Issuer shall not cause any delay in allotment of the Debentures to the successful investors.

(viii) Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:

Not applicable

1.16 Instrument Specific Details

The Issuer proposes to Issue the Debentures on the terms set out in this Key Information Document subject to the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the InvIT Regulations, the SEBI LODR Regulations, the Trust Deed of the Issuer, the terms of the General Information Document and other terms and conditions as provided in the Debt Security Trust Deed. This section applies to all applicants.

The Issuer or any of its Sponsor/ InvIT Trustee/Investment Manager or directors of the Investment Manager is not a wilful defaulter as at the date of filing of this Key Information Document and neither the Issuer or any of its Sponsor/ InvIT Trustee/Investment Manager or directors of the Investment Manager have been categorized as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

***(i)* Issue Size and Nature of Instrument**

The Trust proposes to issue the secured Debentures for up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only) For Details of the issue, please refer to the section titled "*Issue Details*" in this Key Information Document.

***(ii)* Objects of the Issue / Details of utilization of Issue proceeds**

The Issue Proceeds shall be utilized by the Issuer solely towards any of the following purposes ("**Purpose**"):

a. on-lending to Identified Project SPV for prepayment of senior debt of Identified Project SPV availed for the capital expenditure of the Project being implemented by it, or payment of Concession Fee;
b. refinancing of any Financial Indebtedness provided by the Issuer to Identified Project SPV which has been used for capital expenditure or has been used for payment of Concession Fee;

c. the payment of expenses relating to the issue of the Debt Securities; and
d. the creation of reserves, including DSRA, MMR and/or any other expenses, if any, relating to the Identified Project SPV

Provided that

(i) all utilization shall be subject to compliance of directives issued by the Government of India / RBI / other regulatory agency from time to time; and

(ii) the Issuer shall not use the funds, whether directly or indirectly, in any manner for investment in real estate business, capital markets or purchase of land or for any purpose which is prohibited by the SEBI InvIT Regulations.

(iii) **Face Value, Issue Price**

Each Debenture has a face value of Rs. 1,00,000 (Rupees One Lakh only) out of which, 100% Debentures have been issued at par i.e. at the price Rs. 1,00,000 (Rupees One Lakh Only) per Debenture (as determined by the BSE Bond EBP Platform)

(iv) **Minimum Bid Lot**

The minimum bid lot shall be 1 (one) Debenture having face value of Rs. 1,00,000 (Rupees One Lakh only) each and in multiple of 1 (one) Debenture thereafter.

(v) **Minimum Subscription**

Please refer to the clause titled '*Minimum Subscription*' under section titled "*Issue Details*" in this Key Information Document.

(vi) **Deemed Date of Allotment**

All benefits related to the Debentures will be available to the allottees from the Deemed Date of Allotment. The actual credit of the allotment of the Debentures in the demat account may take place on a date other than the Deemed Date of Allotment. The Trust reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture Holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Trust at its sole and absolute discretion.

(vii) **Letter(s) of Allotment / Debenture Certificate(s) /Refund Order (s)/Issue of Letter(s) of Allotment**

The beneficiary account of the investor(s) with NSDL/CDSL / Depository Participant will be given initial credit within 2 (two) working days from the date of closure of the Issue and confirmation of the credit of Debentures shall be provided by the relevant Depository within 2 (two) working days from the date of closure of the Issue. The Issuer shall not cause any delay in allotment of the Debentures to the successful investors.

Subject to the completion of all statutory formalities within time frame prescribed in the relevant Regulations/Act/ Rules etc., the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Debentures allotted. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

(viii) **Trading of Debentures**

The marketable lot for the purpose of trading of Debentures shall be 90,000 (Ninety Thousand) Debenture of face value of Rs. 1,00,000 (Rupees One Lakh only) each. Trading of Debentures would be permitted in demat mode only in standard denomination of Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only) and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

(ix) **Depository Arrangements**

The Issuer has appointed [MUFG Intime India Private Limited having its office at 247 Park, C-101 1st Floor, L B S Marg Vikhroli (West) Mumbai 400 083 Maharashtra, India][2] as the Registrar for the present Issue. The Trust has made necessary depository arrangements with NSDL and CDSL for the Issue and holding of Debentures in the dematerialized form by investors. In this context, the Trust has signed tripartite agreements as under:

a. Tripartite Agreement dated March 07, 2022 among the Investment Manager (on behalf of the Issuer), NSDL and the Registrar for offering depository option to investors;
b. Tripartite Agreement dated February 25, 2022 among the Investment Manager (on behalf of the Issuer), CDSL and the Registrar for offering depository services to investors;

Debenture Holders can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

(x) **Listing**

The Debentures would be listed on the BSE, which will be the designated stock exchange for the Issue ("**Designated Stock Exchange**"). The Trust shall comply with the requirements of the simplified listing agreement read with SEBI LODR Regulations, to the extent applicable to it, on a continuous basis.

The Trust shall seek listing permission from stock exchange within three trading days from the closure of the Issue. In case of delay in listing of the Debentures beyond 3 (three) Trading Days from date of bidding on the EBP Bond Platform or within such other period as permitted under Applicable Law, the Trust shall pay additional interest to the Debenture Holders, of 1.00% (one percent) per annum or such other rate as prescribed by Applicable Law over the Coupon Rate on the Debt Securities Outstandings, commencing from the Deemed Date of Allotment to the date of listing of Debentures.

(xi) **Coupon Rate**

Fixed Interest Rate of **7.40% per annum payable quarterly** (being the initial coupon rate); and or such other rate as may be reset in accordance with the provisions of the Debt Security Trust Deed, and payable on each Coupon Payment Date pursuant to the terms of the Debt Security Trust Deed and the Offer Document.

(xii) **Security**

In consideration of the Holders agreeing to subscribe to the Debt Securities, the Issuer agrees that the following Security Interests shall be created and perfected in favour of the Trustee and/or the Common Security Trustee to secure the repayment of the Debt Securities Outstandings and as detailed in the row titled *"Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation"* under section titled *"Issue Details"* in this Key Information Document:

1. a first ranking *pari passu* charge by way of hypothecation on all movable assets and the receivables of the Issuer, present and future, including but not limited to: (a) all receivables of the Issuer from the **HoldCos** and SPVs; (b) loans and advances, and interest on such loans and advances advanced by the Issuer to the **HoldCos** and SPVs; (c) dividends and any other amounts to be paid / payable by the **HoldCos** and SPVs to the Issuer; (d) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and (e) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;
2. a first ranking *pari passu* charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the Permitted Investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the **HoldCos** and SPVs but excluding the Highways Infrastructure Trust - Distribution Sub-Account or any other bank account of the Issuer [which is maintained for the purpose of non-fund limits availed by the Issuer and the monies lying therein];
3. a first ranking *pari passu* charge by way of hypothecation on the DSRA, all funds from time to time deposited therein and all Permitted Investments or other securities representing all amounts credited to the DSRA or, as applicable, the DSRA BG or the DSRA FD;
4. a first ranking *pari passu* charge by way of assignment through hypothecation by way of security of:
   i. all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "**Issuer Loans**");
   ii. the right, title and interest and benefits of the Issuer in, to and under all SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loans;
5. a first ranking *pari passu* pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, held by the Issuer or HoldCos, respectively, issued by each of the Recourse SPVs (other than Non-Recourse SPVs) and the Recourse HoldCos to the Issuer or HoldCo (excluding equity shares held by nominees).

(xiii) **Security Creation**

Please refer to *"Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation"* under the section titled "*Issue Details*" for information regarding security creation.

(xiv) **Permission from the prior creditors for creation of pari passu charges**

Not Applicable

(xv) **Market Lot**

The Market Lot will be for a minimum size of Rs. 1,00,000 (1 Debt Security)

(xvi) **Interest on Application Money**

Please refer to row titled *"Interest on Application Money"* in section titled *"Issue Details".*

(xvii) **Record Date**

Please refer to row titled *"Record Date"* in section titled *"Issue Details"*.

(xviii) ***Interest on Debentures/Coupon Rate***

Issuer shall pay Coupon in respect of each Series on the outstanding Debt Securities Amount for that Series from the Deemed Date of Allotment on each Coupon Payment Date for the Coupon Period (i.e. shall mean each period beginning on a Coupon Payment Date and ending on the day immediately before the next following Coupon Payment Date, except in case of (a) the 1st (first) period applicable when it means the period beginning on the Deemed Date of Allotment and ending on the day immediately before the 1st (first) Coupon Payment Date, and (b) the last Coupon Period, when it means the period beginning on the penultimate Coupon Payment Date and ending on the applicable Final Redemption Date) preceding such Coupon Payment Date. Payment will be made by way of electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) into such bank account of a Holder as may be notified to the Issuer by such Holder or by the Trustee (acting on behalf of such Holder). Interest in all cases shall be payable on the amount of outstanding Debentures shall be compounded and payable at quarterly rests (unless otherwise provided in the Debt Security Trust Deed) in arrears and shall accrue from day to day, and shall be computed on the basis of a 365 (three hundred and sixty-five) or 366 (three hundred and sixty-six) day year, as the case may be, and the actual number of days elapsed.

(xix) ***Payment on Redemption***

The Debentures shall be redeemed at par at the end of Tenor ("**Redemption Date**"), as mentioned in the section "*Issue Details*" i.e. on 31st December 2041. The Debt Securities shall be redeemed by the Issuer, on the Redemption Date. The Issuer shall pay the portion of the Debt Securities Amount required to be redeemed in accordance with the Debt Security Trust Deed on the Redemption Date unless redeemed earlier in accordance with the terms of this Issue.

Payment of Redemption Amount will be made by way of using the services of electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) into such bank account of a Holder as may be notified to the Issuer by such Holder or by the Trustee (acting on behalf of such Holder).

(xx) ***Issue Procedure and Application / Bidding Process***

Bidding Process

This section applies to all Eligible Participants. Please note that all Eligible Participants are required to make payment of the full application amount in accordance with the Operational Guidelines.

Pursuant to a resolution of the Board of Directors dated 16th May 2025, the Issuer has been authorised to issue the debentures up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only) in one or more tranches or series on a private placement basis and vide the resolution of the Board of Directors dated 16th May 2025 the Issuer has been authorised to inter-alia invite bids in relation to the issue of Debentures pursuant to this Key Information Document. In terms of the InvIT Regulations, the Issuer has been authorised to borrow within the overall borrowing limits of Issuer.

Who can bid?

All Eligible Participants comprising of International Finance Corporation specifically mapped by the Issuer on the BSE Bond - EBP Platform, are eligible to bid for this Issue

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time, including but not limited to NCS Master Circular. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document, or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue will be under the electronic book mechanism as required in terms of the NCS Master Circular.

However, out of the aforesaid class of investors eligible to invest, this Key Information Document is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Key Information Document from the Issuer).

Eligible Investors shall not make use of any software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond - EBP Platform.

Documents to be provided by Successful Bidders/Anchor Investor

Investors need to submit the certified true copies of the following documents, along-with Identified Investor Details provided in the Application Form, as applicable:

a. Memorandum and Articles of Association/ Constitution/ Bye-laws;
b. Board Resolution authorizing the investment and containing operating instructions;
c. Power of attorney/ relevant resolution/authority to make application;
d. Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
e. Copy of Permanent Account Number Card (**"PAN Card"**) issued by the Income Tax Department;
f. Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

Right to accept or reject bids

The Issuer reserves its full, unqualified and absolute right to accept or reject any application for bid, in part or in full, without assigning any reason thereof and to make provisional/ final allocation at its absolute discretion in accordance with the Operational Guidelines.

How to bid?

All Eligible Participants will have to register themselves as a one-time exercise (if not already registered) under the BSE Bond EBP Platform offered by BSE for participating in the electronic book mechanism. Eligible Investors should refer the Operational Guidelines and the NCS Master Circular for issuance of debt securities on private placement basis through an electronic book mechanism as available on website of BSE Limited. Eligible Participants will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the NCS Master Circular.

Eligible Participants should refer to the Operational Guidelines.

The details of the Issue shall be entered on the BSE Bond EBP Platform by the Issuer at least 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines and the NCS Master Circular.

The bidding on BSE Bond EBP Platform shall take place between 9 a.m. to 5.00 p.m. only, on the working days of BSE.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE Bond EBP Platform, at least 1 (one) Business Day before the start of the Issue / Bid Opening Date, however, the same shall be open for at least one hour.

Some of the key guidelines in terms of the Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

In the event of any inconsistency between the provisions below and those provided in the 'Chapter VI – Electronic Book Provider platform' of the NCS Master Circular, the provisions of the NCS Master Circular shall prevail.

1. Modification of Bid:

Eligible Participants may note that modification of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, revision of bid is only allowed for upward revision of the bid amount placed by the Eligible Participant.

2. Cancellation of Bid

Eligible Participants may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

3. Multiple Bids

Eligible Participants are permitted to place multiple bids on the BSE Bond EBP Platform in line with the Operational Guidelines. Multiple bids by the Arranger is allowed where each bid is on behalf of multiple investor(s) provided the bid amount is not more than Rs.100 crore or 5% of the base issue size, whichever is lower.

4. Manner of Bidding (Open or Closed Bidding)

The Issue will be through open book bidding on the BSE Bond EBP Platform in line with the Operational Guidelines.

5. Manner of Allotment (Uniform Yield Allotment or Multiple Yield Allotment)

The allotment will be done on multiple yield basis in line with the Operational Guidelines.

6. Manner of Settlement (through clearing corporation or through escrow bank account of the Issuer)

Settlement of the Issue will be done through RTGS/NEFT/ Fund transfer to ICCL and the account details are given in the sub-section *"(xxi) Payment Mechanism"* of this Key Information Document.

7. Settlement Cycle

The process of pay-in of funds by Eligible Participants and pay-out to Issuer will be done on T+1 day, where T is the Bidding Day.

8. Withdrawal of Issue

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

(a) non-receipt of bids upto the Issue Size;
(b) bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the Issue Size.
(c) If applicable to the Issue, in the event, the cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the BSE Bond EBP Platform,

Provided that the Issuer shall accept or withdraw the Issue on the BSE Bond EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm in case where bid close time is 5 p.m.

However, Eligible Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

9. Payment of issue price and pay-in-date:

Each Debenture (90,000 Debentures) have a face value of Rs. 1,00,000 (Rupees One Lakh Only) of which, 100% Debentures have been issued at par i.e. at the price Rs. 1,00,000 (Rupees One Lakh Only) per Debenture (as determined by the BSE Bond EBP Platform).

10. Application / Bid Size

Applications / Bids for the Debentures are required to be for a minimum of 1 (one) Debenture and multiples of 1 (one) Debenture thereafter. All Eligible Participants under the Operational Guidelines and subsequent Debenture Holders (who shall purchase the Debentures in the secondary market) are required to consult their own advisors in investing in the Debentures and comply with the relevant rules, regulations, guidelines or notifications applicable to them for investing in the Debentures.

11. Provisional / Final Allocation / Allotment

Allocation shall be made on a multiple yield basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 1,00,000 (Rupees One Lakh Only).

Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE BOND EBP Platform. Post receipt of investor details, the Issuer will upload the final allocation file on the BSE BOND EBP platform.

Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issue shall instruct the Depositories on the Pay-In Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the Debentures Holders subject to NCS Master Circular.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the Application Form carefully.

12. Application by Successful Bidders

Form received from a person other than those specifically addressed will be invalid.

Applications complete in all respects must be submitted before the last date indicated in the issue time table or such extended time as decided by the Issuer, at any of the designated collection centers, accompanied by details of remittance of the application money. The necessary documents as detailed in this Key Information Document, payment details and other necessary documents should be sent to the Principal Place of Business of the Issuer on the same day.

(xxi) Payment Mechanism

Payment of subscription money for the Debentures should be made by the Successful Bidder as per the final allocation to the successful bidder as notified by the Issuer.

Successful Bidders should do the funds pay-in to the following bank account of ICCL ("**Designated Bank Account**"):

Name of the Bank: ICICI BANK LIMITED Beneficiary Name: INDIAN CLEARING CORPORATION LIMITED Account Number: ICCLEB IFSC Code: ICIC0000106 Mode: NEFT/RTGS

Name of the Bank: HDFC BANK LIMITED Beneficiary Name: INDIAN CLEARING CORPORATION LIMITED Account Number: ICCLEB IFSC Code: HDFC0000060 Mode: NEFT/RTGS

Name of the Bank: YES BANK LIMITED Beneficiary Name: INDIAN CLEARING CORPORATION LIMITED Account Number: ICCLEB IFSC Code: YESB0CMSNOC
Mode: NEFT/RTGS

Successful Bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-In Date ("**Pay-in Time**"). Successful Bidders should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE Bond EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond EBP Platform and the bank account from which payment is done by the Successful Bidder, the payment would be returned. Provided that, in case of bids made by the Arranger on behalf of Eligible Participants, funds pay-in shall be made from the bank

account of such Eligible Participants.

Note: In case of failure of any Successful Bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer shall not be liable to issue Debentures to such Successful Bidders.

Funds payment to the Issuer would be made by ICCL to the following bank account of the Issuer:

Bank: ICICI Bank Ltd Branch: BKC Branch Account Number: 055505011513 IFSC Code: ICIC0000555 Mode: RTGS/NEFT

Cheque(s), demand draft(s), Money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of Rs. 1,00,000 (Rupees One Lakh) per Debenture is payable on application.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the IT Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" nor in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District Application forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the application form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the section titled "*Issue Details"* of this Key Information Document.

Anchor Investors

Details of the Anchor Portion of the Issue

Name of Anchor Investors	International Finance Corporation (IFC)
Anchor Portion	means 30% (thirty per cent) of the Debt Securities Amount, reserved for subscription by the Anchor Investor
Quantum of allocation to the Anchor Investors	Since there is only one anchor investor, 100% of the Anchor Portion will be allocated to IFC.

Terms of Payment

The full-face value of the Debentures applied for is to be paid in calls as per the terms of issuance and Eligible Investor(s) need to the details of RTGS for the full value of Debentures applied for.

Application by Mutual Funds

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed application form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

Rejection of Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realization of the cheque(s)/ demand drafts(s)/RTGS credit into the designated account till one day prior to the date of refund. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Number of debt security applied for is less than the minimum application size;
- Applications exceeding the issue size;
- Bank account details not given;
- Details for issue of Debentures in electronic/ dematerialized form not given;
- PAN/GIR and IT Circle/Ward/District not given;
- In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Debentures applied for are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Date of Subscription

The date of subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account of ICCL.

Fictitious Applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of the Issuer or by a Magistrate/ Notary Public under his/her official seal.

Right to Re-purchase, Re-issue or Consolidate the Debentures

The Issuer will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Issuer's Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the power to re-issue the Debentures either by re-issuing the same Debentures or by issuing other debentures in their place. The Issuer shall have the right to consolidate the Debentures under present series in accordance with applicable law.

Further the Issuer, in respect of such re-purchased or redeemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the NCS Master Circular or by-laws or regulations.

Settlement Process

Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the Successful Bidder.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of Successful Bidders, category of the Successful Bidder(s), etc., in accordance with the Operational Guidelines. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Force Majeure

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen

development adversely affecting the economic and regulatory environment.

Nomination facility

Only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non -individuals including holders of Power of Attorney cannot nominate.

Procedure for applying for Demat Facility

Applicant(s) must have a Beneficiary Account with any Depository Participant of NSDL or CDSL prior to making the application.

For subscribing to the Debentures, names should be identical to those appearing in the account details of the Depository. In case of Joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

If incomplete/ incorrect beneficiary account details are given which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.

The Debentures shall be directly credited to the Beneficiary Account and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Debentures to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.

Interest or other benefits with respect to the Debentures would be paid to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of Coupon or other benefits, till such time the beneficial owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.

Applicants may please note that the Debentures shall be allotted and traded on the stock exchange(s) only in dematerialized form.

Modification of Rights

The rights, privileges, terms and conditions attached to the Debt Securities may be varied, modified or abrogated by the Majority Holders or such other percentage as is required under the terms of the Debt Security Deed and other Financing Documents (other than the SPV Financing Documents), provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions governing the Debt Securities unless consented to by the Issuer.

Right to the further issue under the ISIN's

The Issuer reserves right to effect multiple issuances under the same ISIN with reference to the NCS Master Circular.

The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at a premium, par or discount as the case may be in line with the NCS Master Circular.

Mode of Transfer of Debentures

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/Depository Participant of the transferor/transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

Common Form of Transfer

The Issuer undertakes that it shall use a common form/procedure for transfer of Debentures issued under terms of this Key Information Document.

Interest on Application Money

Interest at the Coupon Rate for the relevant series of Debt Securities (subject to tax deduction under applicable law) will be paid to the applicants on the application money for the relevant series of the Debt Securities.

Such interest shall be paid for the period starting from and including the date of realization of application money in Issuer's Bank Account up to one day prior to the Deemed Date of Allotment. The interest on application money will be as proportion of the actual number of days elapsed to the actual number of days in the relevant year. Such interest would be paid on all valid applications, including the refunds.

Where the entire application money in respect of any series for the Debt Securities has been refunded, the interest on application money will be paid at the same rate as the Coupon for the series along with the refund orders.

Where an applicant is allotted lesser Debt Securities, in a series which are less than the Debt Securities applied for, the excess amount paid on application will be refunded to the applicant along with the interest at the same rate as the Coupon for that Series on refunded money.

The interest cheque(s)/ demand draft(s)/RTGS credit for interest on application money (along with refund orders, in case of refund of application money, if any) shall be dispatched by the Issuer within 15 (fifteen) Business Days from the Deemed Date of Allotment and the relative interest warrant(s) along with the Refund Order(s)/RTGS credit, as the case may be, will be dispatched by registered post to the sole/ first applicant, at the sole risk of the applicant.

Deduction of Tax at Source

Please refer to row titled on *"Taxes"* in section titled "*Issue Details*" of this Key Information Document.

List of Beneficial Owners

The Issuer shall request the Depository to provide a list of beneficial owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of Coupon or repayment of principal amount, as the case may be.

Payment of Redemption

The Debentures shall be redeemed by the Issuer, on the Redemption Date. The Issuer shall pay the principal amount of the Debentures along with the accrued Coupon on the Redemption Date unless redeemed earlier in accordance with the terms of this Issue.

Disputes & Governing Law

The Debt Securities are governed by and shall be construed in accordance with the existing laws of India.

Succession

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture Holder or the holder of succession certificate or other legal representative as having title to the Debenture(s).The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Debentures by way of succession, the following steps have to be complied with:

A. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Debenture(s) was acquired by the NRI as part of the legacy left by the deceased Debenture Holder.
B. Proof that the NRI is an Indian National or is of Indian origin.

C. Such holding by the NRI will be on a non -repatriation basis.

Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavor to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection center where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc.

2. PARTICULARS OF THE OFFER

S.No.	Term	Description
A	Details of the offer of non-convertible securities in respect of which the key information document is being issued	Senior, secured, listed, rated, taxable, redeemable, non-convertible debt securities ("**Highways Infrastructure Trust Series IV**") of a face value of Rs.1,00,000 (Rupees One Lakh Only) each aggregating up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only)
B	Financial information, if such information provided in the General Information Document is more than six months old	The Trust confirms that the information provided in the General Information Document is not more than six months old.
C	Material changes, if any, in the information provided in the General Information Document;	The Trust confirms that there are no material changes to the information provided in the General Information Document. Provided the Issuer may enter into definitive documentation for acquisition of additional SPVs which will be disclosed on the stock exchanges and completion of acquisition will be subject to satisfaction of various conditions.
D	Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non-convertible securities in respect of which the key information document is being issued	The Trust confirms that there are no material developments since the issue of General Information Document. Provided the Issuer may enter into definitive documentation for acquisition of additional SPVs which will be disclosed on the stock exchanges and completion of acquisition will be subject to satisfaction of various conditions.

3. ISSUE DETAILS

Sr. No.	Term	Description
1.	**Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.**	7.40% Highways Infrastructure Trust 2041- Series IV
2.	**Issuer**	Highways Infrastructure Trust
3.	**Type of Instrument**	Senior, secured, listed, rated, taxable, redeemable, non-convertible debt securities
4.	**Nature of Instrument (Secured or Unsecured)**	Secured
5.	**Seniority (Senior or Subordinated)**	Senior
6.	**Eligible Investors/ Eligible Participants/ Eligible Debenture Holders**	Eligible investors shall include all persons eligible to invest in these Debentures as permitted under Applicable Laws including but not limited to the following resident individuals, v. hindu undivided family, w. trust, x. limited liability partnerships, partnership firm(s), y. portfolio managers, z. association of persons, aa. companies and bodies corporate including public sector undertakings, bb. commercial banks, regional rural banks, financial institutions, and non-banking financial companies,

Sr. No.	Term	Description
		cc. insurance companies, dd. mutual funds/ alternative investment fund (AIF), ee. foreign portfolio investors, and ff. any other investor eligible to invest in these Debentures, in each case, as may be permitted under Applicable Law.
7.	**Listing (name of stock Exchange(s) where it will be listed and timeline for listing)**	BSE
8.	**Rating of the Instrument/ Instrument Credit Rating**	"CRISIL AAA" (Pronounced as Stable) by Crisil vide its rating letter dated May 21, 2025
9.	**Issue Size**	senior, secured, listed, rated, taxable, redeemable, non-convertible debt securities ("Debentures") of a face value of Rs. 1,00,000 (Rupees One Lakh only) each aggregating up to Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only)
10.	**Minimum Subscription**	As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Trust shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of Issue Size or certain percentage of Issue Size.
11.	**Option to retain oversubscription/ Green Shoe Option (Amount)**	Not Applicable
12.	**Objects of the Issue / Purpose for which there is requirement of funds**	Please refer to clause titled ***'Objects of the Issue / Details of utilization of Issue proceeds' in Clause 1.16 (Instrument Specific Details)]*** of this Key Information Document.
13.	**In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is 'group company' then disclosures shall be made in the following format**	Not applicable since the Issuer is not an NBFC
14.	**Details of the utilization of the Proceeds**	Issue proceeds may be utilized towards the above stipulated purpose [clause titled ***'Objects of the Issue / Details of utilization of Issue proceeds' in Clause 1.16 (Instrument Specific Details)]***
15.	**Coupon/ Dividend Rate**	**7.40%** per annum payable quarterly (being the initial coupon rate); or such other rate as may be reset in accordance with the provisions of the Debt Security Trust Deed), and payable on each Coupon Payment Date pursuant to the terms of the Debt Security Trust Deed and the Key Information Document.
16.	**Step Up / Step Down Coupon Rate**	**Linked to changes in Credit Rating** (A) In the event that the credit rating of the Issuer by any Indian Rating Agency falls below AAA, the Coupon shall be revised upwards by 0.10% (zero point one zero per cent.) for every notch below AAA by which such credit rating has downgraded (subject to sub-clause (B) below). Such revised Coupon shall be effective immediately on and from the date of such downgrade and payable from the immediately succeeding Coupon Payment Date. If the credit rating of the Issuer by any Indian Rating Agency is subsequently upgraded, the Coupon shall be revised downwards by 0.10% (zero point one zero per cent.) for every notch by which such credit rating has upgraded, which revised Coupon shall be effective from the date of such upgrade and payable from the immediately succeeding Coupon Payment Date. (B) For the avoidance of doubt, it is clarified that at no point of time, shall the Coupon be lower than initial Coupon applicable to the Debt Securities on the date of the Debt Security Trust Deed. (C) In the event of multiple ratings of the Debt Securities, the Issuer by any Rating Agency(ies), the lowest of all the ratings issued will be considered for this clause (*Step Up / Step Down Coupon Rate*). **Sustainability Performance Targets:** (A) If, (1) on or about the SPT Verification Date (defined below), the Issuer publishes on its website the Sustainability Compliance

<table>
<tr><th>Sr. No.</th><th>Term</th><th>Description</th></tr>
<tr><td></td><td></td><td>Certificate (defined below) for the relevant SLB Reference Period (defined below) together with the Verification Report (defined below), and the delivers both documents to the Trustee at least 60 days prior to the first day of the immediately following Coupon Payment Date;
(2) the Trustee is satisfied that the information in the Sustainability Compliance Certificate together with the Verification Report is complete and accurate and such Verification Report has been approved by the Majority Holders; and
(3) no Declassification Event has occurred,
the Trustee (acting on the instructions of the Majority Holders regarding the adequacy of the Verification Report) shall issue a Rate Revision Confirmation to the Issuer and the Holders confirming that the Coupon Rate shall be adjusted (a “Sustainability Rate Adjustment”) (or not adjusted, as the case may be) to the applicable Revised Rate determined using the table below:

<table>
<tr><td>Number of SPTs achieved</td><td>Revised Rate</td></tr>
<tr><td>None</td><td>The Original Rate would be applicable</td></tr>
<tr><td>1 (one)</td><td>The Revised Rate which is 5 bps per annum lower than the Original Rate.</td></tr>
<tr><td>2 (two)</td><td>The Revised Rate which is 10 bps per annum lower than the Original Rate.</td></tr>
</table>

The coupon with regard to the achievement of the SPTs (defined below) for the First SLB Reference Period (defined below) shall be adjusted starting from the beginning of the Coupon Period occurring immediately after the First SPT Verification Date (defined below) and until the last day of the Coupon Period ending immediately after the Second SPT Verification Date (defined below). The Coupon in regards with the achievement of the SPTs for the Second SLB Reference Period (defined below) shall be adjusted starting from the beginning of the Coupon Period occurring immediately after the Second SPT Verification Date and until the Final Redemption Date.

(B) If the Trustee does not receive a Sustainability Compliance Certificate together with the Verification Report on a SPT Verification Date, the Original Rate (defined below) shall be applicable for the SLB Reference Period.
(C) Only one Sustainability Compliance Certificate may be delivered in respect of any SLB Reference Period (defined below).
(D) The calculation of the Sustainability Rate Adjustment which is applied to the Relevant Rate (defined below) in respect of the Second SLB Reference Period (defined below) shall disregard any Sustainability Rate Adjustment which applied in respect of the First SLB Reference Period. For clarification, the Sustainability Rate Adjustment for each SLB Reference Period will be computed as an independent adjustment to the Original Rate. The maximum Sustainability Rate Adjustment will never be more than 10 bps on the Original Rate.
(E) The Issuer agrees that the Rate Revision Confirmation issued in accordance with this clause (*Sustainability Performance Targets*) will be final, conclusive and binding on the Issuer.

Definitions:

“Calculation Methodology” means, in relation to a KPI, the calculation methodology applicable to that KPI as set out in the relevant schedule of the Debt Security Trust Deed;

“Declassification Event” means a failure by the Issuer and the Trustee to agree the amendments referred to in [paragraph (b) of Schedule III (a)(xix)(b)] (Sustainability Amendments) of the Debt Security Trust Deed (in accordance with the terms of that Section) within 60 (sixty)</td></tr>
</table>

Sr. No.	Term	Description
		days following the occurrence of a Sustainability Amendment Event; “External Reviewer" means, in respect of the KPIs and SPTs, Det Norske Veritas (“DNV”) or any other reputable international firm as may be appointed from time to time by the Issuer at its own cost and expense, qualified and experienced in the relevant assurance or attestation services, for the purpose of assessing (independently based on a sample of data) whether the Sustainability Performance Targets (“SPT”) have been achieved; "First SLB Reference Period" means the period commencing on the signing date of the Debt Security Trust Deed and ending on March 31, 2030 for KPI 1 and September 30, 2030 for KPI 2. “First SPT Verification Date” means March 31, 2031 and corresponds to the date by which the Issuer publishes Sustainability Compliance Certificate on its website , together with the Verification Report for such Sustainability Compliance Certificate; “Key Performance Indicators” or “KPIs” means KPI 1 and KPI 2; “KPI 1” means the key performance indicator referred to as KPI 1 in Schedule XVI (Sustainability Calculations) of the Debt Security Trust Deed, calculated in accordance with the relevant Calculation Methodology; “KPI 2” means the key performance indicator referred to as KPI 2 in Schedule XVI (Sustainability Calculations) of the Debt Security Trust Deed, calculated in accordance with the relevant Calculation Methodology; “Original Rate” means, for the purposes of the above clause, means the Coupon prevailing immediately prior to the relevant date of determination; “Rate Revision Confirmation” shall mean a confirmation of the applicable Relevant Rate issued by the Trustee in accordance with the above clause (Sustainability Performance Targets); “Relevant Rate” shall mean, the Original Rate or, if the Trustee has issued a Rate Revision Confirmation to the Issuer as set forth in the above clause (Sustainability Performance Targets), the Revised Rate.; “Revised Rate” shall mean, if the Trustee has issued a Rate Revision Confirmation to the Issuer as set forth in the above clause (Sustainability Performance Targets), the rate set out in the table set out therein; “Second SLB Reference Period" means the period commencing on April 1st 2030 and ending on March 31st 2035 for KPI 1 and the period commencing on October 1st 2030 and ending on September 30th 2035 for KPI 2. “Second SPT Verification Date” means March 31, 2036 and corresponds to the date by which the Issuer publishes Sustainability Compliance Certificate on its website corresponding to the Second SLB Reference Periods, together with the Verification Report for such Sustainability Compliance Certificate; “Second Party Opinion” or “SPO” means the review conducted by DNV (appointed by the Issuer), for the purpose of assessing whether the Sustainability-Linked Financing Framework is compliant with the SLBP, and published on the Issuer’s website. “SLB Reference Period” means the First SLB Reference Period or the Second SLB Reference Period.

Sr. No.	Term	Description
		"SLBP" means the Sustainability-Linked Bond Principles published by the International Capital Market Association in June 2024; "SPT Verification Dates" means the First SPT Verification Date and the Second SPT Verification Date; "Sustainability Amendment Event" means: **KPI 1: Emission intensity (tCO2e/lane.km), Scope 1 and 2** i. material changes in GHG accounting methodology affecting the calculation of Scope 1 and/or Scope 2 GHG emissions including reclassification of Scope 3 emissions to Scope 1 and Scope 2 emissions; ii. ownership structure and/or changes in portfolio/ operational control (including acquisition or divestment of assets, or change in operational control) that lead to a material change in the portfolio composition. iii. assets are included in the perimeter of another sustainability-linked bond with the same KPIs and more ambitious SPTs. iv. no recalculation if changes in ownership structure and/or changes in portfolio result from new/additional concessions granted. In this event, Issuer is required to demonstrate that management practice in regards to Scope 1 and/or Scope 2 GHG emissions has been consistent for new/additional assets added as for current assets. v. major changes in the regulatory or technical environment have a material impact on KPIs and SPTs, such as increase in street lighting requirement along the road. vi. the consideration for 'material change' as above to be determined on a case-by-case basis, informed by considerations of whether the assets in question form a significant percentage of the Issuer's emissions and/ or are material to HIT's core sustainability and business strategy, and their inclusion or exclusion could be reasonably considered material to investors in the sustainability-linked financing. vii. Material variation in the government's plan on National Grid Greening and hence variation in achieved Green Emission Factor (the "EF") published by the Government of India Ministry of Power Central Electricity Authority (https://cea.nic.in/) versus an assumed EF as defined in the Calculation Methodology: KPI 2: Women's Representation and Inclusion in the Workforce (%) i. ownership structure and/or changes in portfolio (including acquisition or divestment of assets or change in operational control) that lead to a material change in the portfolio composition. ii. assets are included in the perimeter of another sustainability linked bond with the same KPIs and more ambitious SPTs. iii. No recalculation if changes in ownership structure and/or changes in portfolio result from new/additional concessions granted. In this event, the issuer required to demonstrate that gender practices are consistent through its operations. iv. major changes in the regulatory environment having a material impact on the KPI and SPTs. v. The consideration for 'material change' as above to be determined on a case-by-case basis, informed by considerations of whether the assets in question form a significant percentage of the Issuer's emissions and/or are material to HC1 core sustainability and business strategy, and their inclusion or exclusion could be reasonably considered material to investors in sustainability-linked financing. "Sustainability Compliance Certificate" means a certificate substantially in the form set out in Schedule XVI (Form of Sustainability Compliance Certificate) of the Debt Security Trust Deed and published on the website of the Issuer on SPT Verification Dates together with the Verification Report;

Sr. No.	Term	Description
		"Sustainability-Linked Financing Framework" means the Issuer's sustainability-linked financing framework, dated March 2025 and published on the Issuer's website; "Sustainability Performance Targets (SPTs)" means in relation to each KPI and each SLB Reference Period, the target set out in Schedule XVII (Sustainability Calculations) of the Debt Security Trust Deed; "Sustainability Report" means the annual non-financial disclosure report of the Issuer. "Verification Report" means a report commissioned at the sole expense of the Issuer and prepared by an External Reviewer for the purpose of assessing (independently based on a sample of data) whether the information related to the achievement of the SPTs as per a relevant Sustainability Compliance Certificate, is true and accurate.
17.	**Coupon /Dividend Payment Frequency**	Quarterly
18.	**Coupon/Dividend Payment Date(s)**	means each of March 31, June 30, September 30 and December 31 subject to clause 1.13(a) (*Business day conventions / effect of holidays*) clause above and as detailed under the clause '*Disclosure of Interest / Dividend/ redemption dates'*
19.	**Cumulative/ non-cumulative, in case of dividend**	N.A.
20.	**Coupon Type (Fixed, floating or other structure)**	Fixed till the Coupon Reset Date
21.	**Coupon Reset Date**	shall mean June 30, 2035
22.	**Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)**	(i) The Issuer shall, on the date falling 90 (ninety) days prior to the Coupon Reset Date, issue a notice, in the form provided in the relevant schedule under the Debt Security Trust Deed to the Trustee and the Holders, requesting for a revision in the Coupon rate and specifying the Coupon rate ("**Revised Coupon Rate**") that the Issuer is desirous of paying for the remaining tenor of the Debt Securities ("**Coupon Rate Reset Notice**"). (ii) On receipt of the Coupon Rate Reset Notice, each Holder shall notify the Trustee of whether such Revised Coupon Rate is acceptable to such Holder, no later than 30 (thirty) days from the receipt of the Coupon Rate Reset Notice. It is clarified that as soon as any Holder accepts the Revised Coupon Rate, the same shall be binding on the Issuer. The Debt Securities of the Holders which have accepted the Revised Coupon Rate shall accrue coupon at the rate of the Revised Coupon Rate on and from the Coupon Reset Date. In the event that any of the Holders do not accept the Revised Coupon Rate or do not respond to the Coupon Rate Reset Notice (such Holders, the "**Reset Dissenting Holders**"), the Issuer shall, on the Coupon Reset Date, redeem the Debt Securities held by such Reset Dissenting Holders by paying the applicable Early Redemption Amount without paying any Prepayment Premium. At least 7 (seven) Business Days prior to the relevant Coupon Reset Date, the Issuer shall notify the Reset Dissenting Holders that such redemption will occur on the Coupon Reset Date. (iii) If the Issuer fails to issue the Coupon Rate Reset Notice at least (90 (ninety) days prior to any Coupon Reset Date, the Issuer shall be required to redeem the Debt Securities of all the Holders on the Coupon Reset Date by paying the applicable Early Redemption Amount. The Issuer shall obtain all required Clearances including from the Stock Exchange prior to the Coupon Reset Date.
23.	**Day Count Basis (Actual/Actual)**	Any payments to be made to the Holders, including payment of Coupon and Additional Interest shall be compounded and payable at quarterly rests (unless otherwise provided in this Key Information Document or the Debt Security Trust Deed) in arrears and shall accrue from day to day, and shall be computed on the basis of a 365 (three hundred and sixty-five) or 366 (three hundred and sixty-six) day year,

Sr. No.	Term	Description
		as the case may be, and the actual number of days elapsed
24.	**Business Day Convention**	(i) Notwithstanding anything to the contrary contained in this Key Information Document, if any of the Coupon Payment Date(s) (other than a Coupon Payment Date which falls on a Redemption Date) or any other Due Date (not being a Redemption Date) falls on a day that is not a Business Day, the payment of Coupon or the relevant amount shall be made by the Issuer on the immediately succeeding Business Day. It is clarified that no other Coupon Payment Date will be affected or modified on account of such Coupon Payment Date falling on a non-Business Day. (ii) If a Redemption Date (and any Coupon Payment Date falling on such Redemption Date) falls on a day that is not a Business Day, the relevant Redemption Amounts and/or (as applicable) the Coupon shall be paid by the Issuer on the immediately preceding Business Day. It is clarified that no other Redemption Date will be affected or modified on account of a Redemption Date falling on a non-Business Day. (iii) In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day shall be considered as the Record Date.
25.	**Interest on Application Money**	The interest on application money will be a proportion of the actual number of days elapsed to the actual number of days in the relevant year. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount in respect of any of the Debt Securities has been refunded, interest on application money will be paid at the same rate as the Coupon for the Debt Securities along with the refund orders. Where an applicant is allotted Debt Securities which are less than the Debt Securities applied for, the excess amount paid on application will be refunded to the applicant along with interest at the same rate as the Coupon on the refunded money. The interest cheque(s)/ demand draft(s)/RTGS credit for interest on application money (along with refund orders, in case of refund of application money, if any) shall be dispatched by the Issuer within 15 (fifteen) Business Days from the Deemed Date of Allotment and the relative interest warrant(s) along with the refund order(s)/RTGS credit, as the case may be, will be dispatched by registered post to the sole or first applicant, at the sole risk of the applicant
26.	**Default Interest Rate / Additional Interest**	(a) Without limiting the remedies available to the Trustee (acting on behalf of and for the benefit of the Holders) under the Debt Security Trust Deed or otherwise (and to the maximum extent permitted by Applicable Law), if the Issuer fails to pay any amount payable by it under this Key Information Document or the other Financing Documents (other than the SPV Financing Documents) on its Due Date, such defaulted amount shall carry Payment Additional Interest at the rate of 1% (one percent) per annum over and above the applicable Coupon for the period of default or delay from the due date up to the date of actual payment. Such Payment Additional Interest accruing under this clause shall be compounded quarterly and shall be immediately payable on demand or in the absence of demand, on the following Coupon Payment Date. (b) In the event the Issuer fails to create or perfect any Security within the timelines as set out in the Debt Security Trust Deed, the Issuer shall pay to the Holders, Security Additional Interest at the rate of 1% (one percent) per annum or such other rate as prescribed by Applicable Laws over and above the Coupon on the face value of the Debt Securities, from the day after the expiry of the stipulated timelines to create or perfect the relevant Security until (and including) the date on which such failure is rectified or waived, as the case may be, by the Trustee without prejudice to the right to call an Event of Default by the Trustee. (c) In the event the Issuer fails to get the Debt Securities listed on the Stock Exchange within a period of 3 (three) Trading Days from the date of bidding on the EBP Bond Platform or within such other

Sr. No.	Term	Description
		period as permitted under Applicable Law, the Issuer shall pay to the Holders Listing Additional Interest of 1% (one percent) per annum or such other rate as prescribed by Applicable Laws over and above the Coupon on the Debt Securities Outstandings, commencing from the Deemed Date of Allotment till the Debt Securities are listed on the Stock Exchange. (d) The Issuer acknowledges and agrees that the Additional Interest is reasonable and represents genuine pre-estimates of the loss that may be suffered or incurred by the Holder(s) on account of the aforesaid events. Any waiver of Additional Interest shall be at the discretion of the individual Holders. (e) Notwithstanding anything contained to the contrary, the maximum Additional Interest payable shall be 2% (two percent) per annum, for any default (which may or may not be declared as an Event of Default by the Trustee) under the Financing Documents (other than SPV Financing Documents) from the expiry of the cure period, till the time such default is cured/waived.
27.	**Tenor**	The tenor of the Debt Securities is for a period commencing from the Deemed Date of Allotment till the Final Redemption Date.
28.	**Redemption Date**	Shall mean, in respect of the Debt Securities, (a) the Final Redemption Date; or (ii) each other redemption date prior to the Final Redemption Date on which any Debt Securities are required to be redeemed, in accordance with the Redemption Schedule
29.	**Redemption Amount**	Shall mean, on any Redemption Date, the portion of the Debt Securities Amount required to be redeemed in accordance with the Redemption Schedule on that Redemption Date or the Early Redemption Amount, as applicable
30.	**Redemption Schedule**	Shall mean the redemption schedule set out in schedule mentioned in *"Disclosure of Interest / Dividend/ redemption dates"* clause below`, setting out *inter alia* the dates on which and the percentages in which the Issuer is required to redeem the Debt Securities.
31.	**Redemption Premium / Discount**	NIL
32.	**Issue Price**	Rs 1,00,000 per Debenture
33.	**Discount at which security is issued and the effective yield as a result of such discount**	None
34.	**Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount**	None
35.	**Put Date**	Not applicable
36.	**Put Price**	Not applicable
37.	**Call Date**	Not applicable
38.	**Call Price**	Not applicable
39.	**Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)**	Not applicable
40.	**Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)**	Not applicable
41.	**Face Value**	Rs 1,00,000 per Debenture
42.	**Minimum Application and in multiples thereafter**	1 Debenture
43.	**Method of Allotment**	For Non-Anchor Portion: To be determined on the basis of price based multiple yield allotment For Anchor Portion: 30% of the Issue Size to Anchor Investor (IFC)
44.	**Anchor Portion Details**	means 30% (thirty per cent) of the Debt Securities Amount, reserved

<table>
<tr><th>Sr. No.</th><th>Term</th><th>Description</th></tr>
<tr><td></td><td></td><td>for subscription by the Anchor Investor</td></tr>
<tr><td>45.</td><td>Name of Anchor Investors</td><td>International Finance Corporation (IFC)</td></tr>
<tr><td>46.</td><td>Total Amount for Anchor Portion (not exceeding 30% of Base Issue Size)</td><td>Rs. 2,70,00,00,000.00 (Rupees Two Thousand Seven Hundred Million only)</td></tr>
<tr><td>47.</td><td>Non-Anchor Portion (remaining portion of Base Issue Size under non-anchor portion available for bidding on EBP)</td><td>Rs. 6,30,00,00,000.00 (Rupees Six Thousand Three Hundred Million only)</td></tr>
<tr><td>48.</td><td>Quantum of allocation to the Anchor Investors</td><td>Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only)</td></tr>
<tr><td>49.</td><td>Terms of Anchor Investor</td><td>The Anchor Portion shall not be subject to the multiple-yield price-based bidding process in the electronic book mechanism of the stock exchange, and IFC shall be allotted the Debt Securities representing such Anchor Portion at the face value of the Debt Securities being Rs. 1,00,000/- (Rupees One Lakh only) in accordance with the NCS Master Circular and/ or any subsequent guidelines as may be issued by stock exchange from time to time, in this regard.</td></tr>
<tr><td>50.</td><td>Issue timing</td><td>9 am to 10 am</td></tr>
<tr><td>51.</td><td>Issue Opening Date</td><td>June 06, 2025</td></tr>
<tr><td>52.</td><td>Issue Closing Date</td><td>June 06, 2025</td></tr>
<tr><td>53.</td><td>Date of earliest closing of the issue, if any</td><td>Not Applicable</td></tr>
<tr><td>54.</td><td>Pay-in Date</td><td>June 10, 2025</td></tr>
<tr><td>55.</td><td>Deemed Date of Allotment</td><td>June 10, 2025</td></tr>
<tr><td>56.</td><td>Settlement Mode of the Instrument</td><td>RTGS, NEFT, Fund transfer</td></tr>
<tr><td>57.</td><td>Depository</td><td>NSDL and CDSL</td></tr>
<tr><td>58.</td><td>Disclosure of Interest / Dividend/ redemption dates</td><td>
<table>
<tr><th>Due Date</th><th>Redemption Per Debt Security</th><th>Coupon per Debt Security</th></tr>
<tr><td>30-Jun-25</td><td>77.50</td><td>425.76</td></tr>
<tr><td>30-Sep-25</td><td>77.50</td><td>1863.76</td></tr>
<tr><td>31-Dec-25</td><td>77.50</td><td>1862.32</td></tr>
<tr><td>31-Mar-26</td><td>77.50</td><td>1820.42</td></tr>
<tr><td>30-Jun-26</td><td>562.50</td><td>1839.22</td></tr>
<tr><td>30-Sep-26</td><td>562.50</td><td>1848.94</td></tr>
<tr><td>31-Dec-26</td><td>562.50</td><td>1838.44</td></tr>
<tr><td>31-Mar-27</td><td>562.50</td><td>1788.21</td></tr>
<tr><td>30-Jun-27</td><td>712.50</td><td>1792.79</td></tr>
<tr><td>30-Sep-27</td><td>712.50</td><td>1799.24</td></tr>
<tr><td>31-Dec-27</td><td>712.50</td><td>1785.99</td></tr>
<tr><td>31-Mar-28</td><td>712.50</td><td>1753.47</td></tr>
<tr><td>30-Jun-28</td><td>712.50</td><td>1745.13</td></tr>
<tr><td>30-Sep-28</td><td>712.50</td><td>1751.01</td></tr>
<tr><td>31-Dec-28</td><td>712.50</td><td>1737.72</td></tr>
<tr><td>31-Mar-29</td><td>712.50</td><td>1686.95</td></tr>
<tr><td>30-Jun-29</td><td>732.50</td><td>1692.55</td></tr>
<tr><td>30-Sep-29</td><td>732.50</td><td>1697.48</td></tr>
<tr><td>31-Dec-29</td><td>732.50</td><td>1683.82</td></tr>
<tr><td>31-Mar-30</td><td>732.50</td><td>1652</td></tr>
<tr><td>30-Jun-30</td><td>785.00</td><td>1638.49</td></tr>
<tr><td>30-Sep-30</td><td>785.00</td><td>1641.85</td></tr>
<tr><td>31-Dec-30</td><td>785.00</td><td>1627.21</td></tr>
</table>
</td></tr>
</table>

Sr. No.	Term	Description		
		31-Mar-31	785.00	1577.51
		30-Jun-31	775.00	1576.24
		30-Sep-31	775.00	1579.14
		31-Dec-31	775.00	1564.73
		31-Mar-32	775.00	1533.46
		30-Jun-32	1,037.50	1523.36
		30-Sep-32	1,037.50	1520.75
		31-Dec-32	1,037.50	1501.4
		31-Mar-33	1,037.50	1449.83
		30-Jun-33	1,457.50	1446.8
		30-Sep-33	1,457.50	1435.51
		31-Dec-33	1,457.50	1408.33
		31-Mar-34	1,457.50	1351.12
		30-Jun-34	1,785.00	1339.24
		30-Sep-34	1,785.00	1320.66
		31-Dec-34	1,785.00	1287.37
		31-Mar-35	1,785.00	1226.81
		30-Jun-35	1,962.50	1204.21
		30-Sep-35	1,962.50	1180.94
		31-Dec-35	1,962.50	1144.44
		31-Mar-36	1,962.50	1095.89
		30-Jun-36	1,997.50	1062.69
		30-Sep-36	1,997.50	1037.11
		31-Dec-36	1,997.50	999.85
		31-Mar-37	1,997.50	941.67
		30-Jun-37	2,015.00	915.28
		30-Sep-37	2,015.00	887.75
		31-Dec-37	2,015.00	850.17
		31-Mar-38	2,015.00	794.92
		30-Jun-38	2,422.50	766.57
		30-Sep-38	2,422.50	729.81
		31-Dec-38	2,422.50	684.63
		31-Mar-39	2,422.50	625.54
		30-Jun-39	2,562.50	586.19
		30-Sep-39	2,562.50	544.97
		31-Dec-39	2,562.50	497.31
		31-Mar-40	2,562.50	444.75
		30-Jun-40	2,687.50	398.69
		30-Sep-40	2,687.50	352.95
		31-Dec-40	2,687.50	302.82
		31-Mar-41	2,687.50	247.2
		30-Jun-41	3,620.00	200.36
		30-Sep-41	3,620.00	135.05
		31-Dec-41	3,620.00	67.53
59.	**Record Date**	Shall mean the date which is 15 (fifteen) calendar days prior to each Coupon Payment Date or Redemption Date, as the case may be		

Sr. No.	Term	Description
60.	**All covenants of the Issue (including side letters, accelerated payment clause etc.)**	A summary of covenants of the Issue are set out herein in this Section 3 (*Issue Details*).
61.	**Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation**	In consideration of the Holders agreeing to subscribe to the Debt Securities, the Issuer agrees that the following Security Interests shall be created and perfected in favour of the Trustee and/or the Common Security Trustee to secure the repayment of the Debt Securities Outstandings: A. a first ranking *pari passu* charge by way of hypothecation on all movable assets and the receivables of the Issuer, present and future, including but not limited to: (a) all receivables of the Issuer from the HoldCos and SPVs; (b) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (c) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (d) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and (e) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; B. a first ranking *pari passu* charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the Permitted Investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs but excluding the Highways Infrastructure Trust - Distribution Sub-Account (as defined in the Escrow Agreement) or any other bank account of the Issuer [which is maintained for the purpose of non-fund limits availed by the Issuer and the monies lying therein]; C. a first ranking *pari passu* charge by way of hypothecation on the DSRA, all funds from time to time deposited therein and all Permitted Investments or other securities representing all amounts credited to the DSRA or, as applicable, the DSRA BG or the DSRA FD; D. a first ranking *pari passu* charge by way of assignment through hypothecation by way of security of: (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "**Issuer Loans**"); (ii) the right, title and interest and benefits of the Issuer in, to and under all SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loans; E. a first ranking *pari passu* pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, held by the Issuer or HoldCos, respectively, issued by each of the Recourse SPVs (other than Non-Recourse SPVs) and the Recourse HoldCos to the Issuer or HoldCo (excluding equity shares held by nominees). The Security Interest stipulated in paragraphs (A) to (E) above shall

Sr. No.	Term	Description
		be collectively referred to as the "**Security**" which shall include any further or additional Security Interest created in terms of the Debt Security Trust Deed. **Time Period for Creation of Security** (A) The Security Interest described in this clause above (other than paragraph (E)) shall be created prior to the Deemed Date of Allotment and shall be perfected within 30 (thirty) days from the date of its creation. *Provided* that the creation of Security Interest over DSRA in accordance with paragraph (C) above shall not change the timelines for creation of DSRA as per the terms of the Key Information Document and the Debt Security Trust Deed. (B) The Security Interest over the securities described in paragraph (E) will be created in the following manner: i.the pledge pursuant to paragraph (E) over the securities of the SPVs set out in Table 1 below shall be created within 15 (fifteen) Business Days from the Deemed Date of Allotment and shall be perfected (including by filing the Annexure W / Form 28 with the concerned Depository) within 30 (thirty) days from the date of its creation: <u>Table 1:</u>

Sr. No.	Term	Description					
		S No.	**Pledgor**	**Company whose securities are being pledged**	**Type of security**	**Percentage of securities held by the Pledgor to be pledged (excluding nominee shares)**	**Number of securities to be pledged**
		1.	Highways Infrastructure Trust	DBCPL	Equity shares	100%	95,262
				GEPL	Equity shares	100%	2,01,55,032
				GEPL	Optionally convertible debentures	100%	5,09,41,358
				JPEPL	Equity shares	100%	61,639
				NBPL	Equity shares	100%	3,14,99,940
				SEPL	Equity shares	100%	4,99,999
				SEPL	Preference Shares	100%	4,19,675
				UEPL	Equity shares	100%	9,68,55,982
				UTPL	Equity shares	100%	37,01,333
				GSHPL	Equity shares	100%	2,78,53,103
				RAHPL	Equity shares	100%	1,91,71,744
				ANHPL	Equity shares	100%	3,88,97,867
				STPL	Equity shares	100%	15,38,99,999
				BETPL	Equity shares	100%	2,15,91,278
				BETPL	Preference shares	100%	1,29,41,850
				BETPL	Optionally convertible debentures	100%	3,22,02,939
				RBPL	Equity shares	100%	14,38,064
				RBPL	Optionally convertible debentures	100%	10,00,000
				NTEPL	Equity shares	100%	15,981
		ii.the pledge pursuant to paragraph (E) over the securities of					

Sr. No.	Term	Description
		Recourse SPVs (other than the SPVs listed in Table 1 above) or Recourse HoldCos shall be created: (a) where such Recourse SPVs and Recourse Holdco have Existing Senior Creditors, then within 15 (fifteen) Business Days from the date on which the existing pledge on the shares or other securities issued by such Other SPVs or HoldCo is released by the respective Existing Senior Creditors of such Recourse SPV or Recourse HoldCo upon repayment of their respective loans and shall be perfected (including by filing the Annexure W / Form 28 with the concerned Depository) within 30 (thirty) days from the date of its creation; and (b) in connection with Recourse SPVs and Recourse HoldCos where there is no Existing Senior Creditor, then within 30 (thirty) Business Days from the date of acquisition of such Recourse SPV or Recourse HoldCo and shall be perfected (including by filing the Annexure W / Form 28 with the concerned Depository) within 30 (thirty) days from the date of its creation. In the event any new kind of securities are issued by the SPV (not being a Non-Recourse SPV) to the Issuer or a HoldCo after the date hereof in case of Project SPVs (not being a Non-Recourse SPV), or after the date of acquisition in case of Other SPVs or HoldCo (not being a Non-Recourse SPV or Non-Recourse HoldCo), as the case may be, the pledge over such new securities described shall be created within 15 (fifteen) Business Days from the date of such issuance and perfected within a period of 30 (thirty) days from its creation. (C) With respect to the New Project SPVs (not being a Non Recourse SPV), the Issuer shall have caused the New Project SPVs to duly execute, create and perfect (if applicable), the Substitution Agreement, the SPV Escrow Agreement, the SPV Supplementary Escrow Agreement and the SPV Deed of Hypothecation within 45 (forty five) days from the date of receipt of approval or confirmation from the Concessioning Authority on such documents which shall in no event be later than 270 (two hundred and seventy) days from the days from the date of refinancing of the respective Existing Senior Creditors of such New Project SPV and in connection with New Project SPVs where there is no existing senior creditor, within 270 (two hundred and seventy) days from the date of acquisition of such New Project SPV, subject to the terms of the respective Concession Agreements and in each case such other extended period as may be approved by the Super Majority Creditors). (D) With respect to Other SPVs (not being a Non Recourse SPV) the Issuer shall have caused the Other SPVs to duly execute, create and perfect (if applicable), the Substitution Agreement, the SPV Escrow Agreement, the SPV Supplementary Escrow Agreement and the SPV Deed of Hypothecation within 45 (forty five) days from the date of receipt of approval or confirmation from the Concessioning Authority on such documents which shall in no event be later than 270 (two hundred and seventy) days from the date of refinancing of the respective Existing Senior Creditors of such Other SPV or such

Sr. No.	Term	Description
		other extended period as may be approved by the Super Majority Creditors, subject to the terms of the respective Concession Agreements and in connection with Other SPVs where there is no Existing Senior Creditor, within 270 (two hundred and seventy) days from the date of acquisition of such Other SPV, subject to the terms of the respective Concession Agreements and in each case such other extended period as may be approved by the Super Majority Creditors). (E) In connection with Security Interest described in this clause above, the Issuer shall issue or procure the issuance of all required notices and intimations (if applicable) to the relevant Governmental Authorities and other persons within the earlier of 30 (thirty) days from the date of creation of the relevant Security and the timeline prescribed under Applicable Law. The Security Interest described above to be created for the benefit of the Holders shall in all respects rank *pari passu inter se* the Holders, without any preference or priority to one over the other or others. The Security shall in all respects rank *pari passu inter se* the Holders, the Original Creditors (other than holders of the Commercial Paper), and the Additional Lender(s) (provided that, in respect of sharing with Additional Lenders, when such Additional Debt was availed from such Additional Lender, the Issuer was in compliance with the Additional Debt Conditions or otherwise permitted by the Super Majority Creditors, without any preference or priority to one over the other or others. For the avoidance of doubt, it is clarified that the Common Security Trustee is hereby authorised (without the consent of any of the Holders) to share the Security with the such Original Creditors, as mentioned above and the Additional Lender(s) in accordance with the terms of the Debt Security Trust Deed, provided that, in respect of sharing with Additional Lenders, at the time of availing of the Additional Debt, the Issuer was in compliance with the Additional Debt Conditions and the Issuer has provided a prior intimation of 15 (fifteen) days by way of a certification from Key Managerial Personnel of the Investment Manager except credit rating and certificate for Consolidated Net Debt to Enterprise Value certificates, which should be obtained (i) at any time before signing of the financing documents towards refinancing the existing debt of proposed acquisition, if any; or (ii) within 30 (thirty) days of such acquisition, if any, whichever is earlier) confirming that all term lenders and debenture holders of the Issuer (current or future) shall have *pari passu* charge on all assets forming part of the Security. The Obligors shall always be permitted to create Security Interest forming part of Permitted Security Interest. **Conditions relating to Pledged Securities** The pledge on the Pledged Securities required to be created by the Pledgor pursuant to the terms of the Debt Security Trust Deed, shall be held by the Common Security Trustee for the benefit of the Holders. Provided that in the event of applicability of the Banking Regulation Act, 1949 to any Holder, the benefit of such pledge for such Holder shall be to the extent of 30% (thirty percent) of the paid-up share capital and reserves of the relevant Obligor whose securities are pledged. The Pledged Securities shall (i) be in dematerialized form, (ii) have full voting rights, and (iii) shall be free from any restrictive covenants or Security Interest under any contract or arrangement, including any shareholder agreement, joint venture agreement or financing arrangement, with regard to the pledging or transfer of the Pledged Securities including any transfer of the Pledged Securities upon enforcement of the pledge.

Sr. No.	Term	Description
		The Trustee shall provide necessary instructions and support to the Common Security Trustee to temporarily unmark the pledge over the Pledged Securities in the records of the Depositories solely to facilitate the extension of the pledge in favour of the Common Security Trustee, acting on behalf of any creditors providing the Additional Debt that accede to the Common Security Trustee Agreement, in the manner stipulated in the Pledge Agreement. The pledge over the Pledged Securities shall be re-created within 3 (three) Business Days from the date of such unmarking and shall, in no event be considered a release of pledge over the Pledged Securities. The Common Security Trustee shall not be required to obtain the other Secured Parties' consent in this regard. Notwithstanding anything contained in this Key Information Document or the other Financing Documents, in case of winding up or liquidation of an SPV or Holdco after expiry of the respective concession period under the Concession Agreement entered into by the relevant SPV, the Trustee may release the Pledged Securities in relation to such SPV or HoldCo for this purpose. Provided that, pursuant to the process of liquidation or winding up, the proceeds from such SPV or HoldCo to which the Issuer is entitled under the Applicable Law are duly distributed to the Issuer under the Applicable Laws. In such event, the provisions of the Financing Documents shall not apply to restrict the process of liquidation and the distribution to the Issuer in accordance with Applicable Law, and the provisions of the Financing Documents will not be considered breached by the relevant SPVs so long as the obligations under this clause are complied with. The Issuer agrees and undertakes that it shall, within the timelines set out above, submit to the Trustee a confirmation from the Authorised Officer of the Investment Manager, that the Security contemplated in this clause above has been created and perfected, together with satisfactory evidence of such creation and perfection including filings required under Applicable Law. The Issuer shall ensure that a Security Cover of at least 100% (one hundred percent), sufficient to discharge the Redemption Amounts and Coupon, are each maintained at all times in accordance with the provisions of the Securities and Exchange Board of India (Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement.
62.	**Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debt Security Trust Deed and disclosed in this Key Information Document**	Not applicable
63.	**Transaction Documents**	shall mean collectively, the Financing Documents and the Project Documents
64.	**Conditions Precedent to Disbursement**	The Issuer shall have fulfilled (and deliver evidence of fulfilment) and/or delivered the following, to the satisfaction of the Trustee, prior to the Deemed Date of Allotment: 1. the Units shall have been listed as and should continue to be listed as on the Deemed Date of Allotment; 2. Certified true copies of the updated and amended Constitutional Documents of the Obligors and the New Project SPVs (in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment) (other than the Other SPV or HoldCo); 3. Certified true copies of the Trust Documents and Project Documents (in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment); 4. Certified true copies of the resolution of the Board and any other corporate authorisations, evidencing corporate power, authority and the required corporate action for: (a) approving issuance of Debt Securities by the Issuer;

Sr. No.	Term	Description
		(b) approving the terms of, and the transactions contemplated by the Financing Documents and resolving that it will execute such documents on behalf of the Issuer; (c) authorizing a specified Person or Persons to execute the Financing Documents to which the Issuer is a party on its own and the Issuer's behalf; (d) authorizing a specified Person or Persons, on its behalf, to sign and/or dispatch all documents and notices to be signed or dispatched by it under or in connection with the Financing Documents to which the Issuer or the Investment Manager (on its own behalf) is a party; (e) authorizing a specified Person or Persons to take any other action or execute such other document as may be required under the Financing Documents or any other agreement to which the Trustee, the Issuer, the Investment Manager (on its own behalf) and/or the Holders may be parties; and (f) take any other action or execute such other document as may be required under the Financing Documents or any other agreement to which the Trustee, the Issuer, the Investment Manager (on its own behalf) and/or the Holders may be parties; 5. Certified true copies of the resolution of the Unitholders of the Issuer permitting the Issuer to incur in the aggregate consolidated borrowings and deferred payments of up to 70% (seventy percent) of the value of the InvIT Assets, to the satisfaction of the Trustee 6. Certified true copies of the resolutions of the board of directors and shareholders of the relevant other Obligors (other than the Issuer, HoldCo and Other SPVs) and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period) and any other corporate authorisations, evidencing corporate power, authority and the required corporate action for entering into the Financing Documents that are required to be entered into prior to the Deemed Date of Allotment, for the creation of Security that is required to be created prior to the Deemed Date of Allotment and authorising certain persons to execute such Financing Documents on behalf of the relevant Obligors (other than the Issuer, HoldCo and Other SPVs) and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period), to the satisfaction of the Trustee 7. Certified true copies of the applicable Clearances and corporate authorisations for the execution of the Financing Documents that are required to be entered into prior to the Deemed Date of Allotment (including for the creation and perfection of Security in accordance with the terms thereof), including but not limited to resolutions of the shareholders of the relevant Pledgor(s) under Section 180 (1) (a) of the Companies Act, 2013 (if applicable) and resolutions of the Project SPVs and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period) under Sections 185 and 186 of

Sr. No.	Term	Description
		the Companies Act, 2013 (if applicable); 8. Appointment of Trustee and submission of consent letter of the Trustee to act as the trustee for the Issue, and for inclusion of their details in the Offer Document; 9. Copies of the Insurance Contracts required under the Financing Documents (other than the SPV Financing Documents); 10. Copy of provisional Credit Rating letter together with its rating rationale and confirmation a minimum of AAA rating from 1 (one) Indian Rating Agencies provided that the press release shall not be older than one year from the date of opening of the issue and consent letter from Indian Rating Agencies and for inclusion of their details in the Offer Document; 11. Copy of the Tripartite Agreement entered into by the Issuer with the Registrar and National Securities Depository Limited; 12. Copy of the Tripartite Agreement entered into by the Issuer with the Registrar and Central Depository Services (India) Limited; 13. Issue of the Offer Document to the eligible investors; 14. Execution and effectiveness of the Debt Security Trust Deed, the Trustee Agreement, other Financing Documents which are required to be executed prior to the Deemed Date of Allotment in terms of the Debt Security Trust Deed, including the Escrow Agreement (including any amendment or the accession thereto), the Common Security Trustee Agreement (including any amendment or the accession thereto), the Pledge Agreement or any amendment thereto, the power of attorney to the Pledge Agreement, the Deed of Hypothecation and the power of attorney to the Deed of Hypothecation, the SPV and Holdco Undertaking, the facility agreements executed by the Issuer and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired on or prior to Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period) in connection with the Issuer Loans, security trustee agreement for appointment of SPV Security Trustee in respect of New Project SPVs within the timelines mentioned above; 15. Certified true copy of the in-principle approval of the Stock Exchange for listing of the Debt Securities; 16. Certified true copies of all 'know your customer' requirements for the Issuer and signatories, to the satisfaction of the Trustee 17. Creation and maintenance of a functional website of the Issuer; 18. Certified true copy of the incumbency and specimen signature certificate provided by the Issuer setting out the specimen signatures of each person authorized by the resolutions passed by the Board; 19. Certified true copy of the incumbency and specimen signature certificate provided by the Identified Project SPV which will execute any Financing Document prior to the Deemed Date of Allotment, setting out the specimen signatures of each person authorized by the resolutions passed by the board of directors of the Identified Project SPV; 20. Copy of the consent from the Registrar to act as the registrar and transfer agent for the issue of Debt Securities and for inclusion of their details in the Offer Document along with a copy of the agreement entered with the Registrar; 21. Confirmation of receipt of an ISIN Number from CDSL/NSDL in relation to the issuance of the Debt Securities in dematerialised form; 22. Submission of a certificate issued by the independent chartered accountant or Key Managerial Personnel of the Issuer/ Investment Manager addressed to the Trustee certifying that: (a) the Issue Proceeds shall be applied only for the Purpose; (b) all representations and warranties made by the Issuer and other relevant Obligors under the Financing Documents

Sr. No.	Term	Description
		(other than the SPV Financing Documents) are true and correct in all respects on the Deemed Date of Allotment; (c) no Event of Default or Potential Event of Default exists as of the date of the certificate; (d) the approval of the Unitholders under the SEBI InvIT Regulations has been obtained; (e) the accounting, management information and cost control systems of the Issuer are in place to the satisfaction of the Trustee acting on the instructions of the Holders as per Debt Security Trust Deed; (f) the Issuer is solvent; (g) all compliances in relation to environmental, and social requirements, as required under the Debt Security Trust Deed, have been satisfied; (h) the borrowings of the Issuer (including by way of the Issue) and the Security to be created over the assets set out herein: (i) are within the existing limit of aggregate of (i) 55% (fifty five percent) of the Enterprise Value for Toll Based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value for the Annuity Based SPV / Hybrid Annuity Based SPVs (or any lower thresholds prescribed as per SEBI Guidelines); (ii) does not result in the breach of any Project Documents, Clearances, borrowing or other agreements entered into by the SPVs or HoldCos or the Issuer (iii) would not cause, or result in any breach of any agreement or that the Issuer is a party to, or oblige it to create any security in favour of any person (other than Permitted Security Interest); (iv) are within the existing limit of 70% (seventy percent) of the value of the InvIT Assets; and (v) would not be in violation of any Applicable Law. 23. Evidence of pre -authorising the Trustee, to seek information from the relevant bank where the Redemption Account is opened, in connection with the status of payment of the Redemption Amount on the Redemption Date. 24. Copy of the applications submitted by the Issuer duly acknowledged by the income tax authorities in connection with seeking permission under Section 281 of the Income Tax Act, 1961, Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act, in respect of the Security Interest to be created on the applicable Secured Assets prior to the Deemed Date of Allotment, to the extent applicable. 25. Submission of a certificate from an independent chartered accountant / Key Managerial Personnel of Issuer/Investment Manager, inter alia confirming that there are no tax dues payable and there are no proceedings initiated or ongoing against the Issuer and the relevant Security Providers under Section 281 of the Income Tax Act, 1961, in respect of the Security which is required to created prior to the Deemed Date of Allotment, except as disclosed in such certificate. 26. Creation of the Security which is required to be created prior to the Deemed Date of Allotment. 27. Valuation Report of the Project SPVs and the New Project SPVs (in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment) as prepared for the Issuer; 28. The Issuer shall have obtained a Legal Entity Identifier (LEI) number. 29. Opinion from the legal counsel in a form and manner satisfactory to the Initial Holders; 30. Submission of 'Due Diligence Report' by the Trustee as per the SEBI Guidelines; 31. Custody confirmation with respect to applicable Financing Documents (other than the SPV Financing Documents) shall have been received from the Common Security Trustee; 32. Opening of the Escrow Accounts and confirmation from the

Sr. No.	Term	Description
		Issuer that it has made all arrangements for its cashflows to be routed through the Escrow Account. 33. All formalities related to issuance of Debt Securities under Applicable Laws including rating, listing, electronic book building, debenture trustee consent letter, should have been complied with. 34. Certificate from the Key Managerial Personnel/ statutory auditor regarding compliance of the provisions of Section 180 (1) (a), Section 185 and Section 186 of the Companies Act, 2013 (if applicable), in respect of the relevant Obligors and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired on or prior to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period). 35. Evidence, in form and manner satisfactory to the Holders, that all fees, charges, Taxes due and payable under the Debt Security Trust Deed prior to the Deemed Date of Allotment (including but not limited to the fees of the Holders and the legal fees of the counsel which are due prior to the Deemed Date of Allotment) have been duly paid in full. 36. Evidence that the Issuer has appointed independent Auditors and authorised such Person, in the form under the relevant schedule of the Debt Security Trust Deed, to communicate directly with the Anchor Investor. 37. Execution and receipt of the Listing Agreement; 38. Submission of documentary evidence confirming transfer of 100% shareholding of NTEPL to the Issuer; 39. A certificate of Identified Project SPV (signed by an Authorized Officer of the Identified Project SPV) confirming that the Identified Project SPV is solvent. 40. A certificate from an independent chartered accountant empanelled with Trustee regarding the maintenance of Security Cover ratio of 100% (one hundred percent) in respect of the Debt Securities basis the last Financial Quarter prior to the Deemed Date of Allotment. 41. Acceptance by International Finance Corporation to act as an Anchor Investor for the Issue and also, submission of final consent letter by International Finance Corporation consenting to act as an Anchor Investor to the relevant Stock Exchange. 42. Evidence that the Project being developed by NTEPL shall have achieved the 'Appointed Date' as defined in the NTEPL Concession Agreement, and letter from NHAI for the same. 43. Evidence of application made by the Issuer for Securities and Exchange Board of India Complaints Redress System (SCORES) authentication as prescribed under the SEBI NCS Regulations.
65.	**Conditions Subsequent to Disbursement**	The Issuer shall comply with (and deliver evidence of compliance) and/or deliver the following, to the satisfaction of the Trustee, within the time periods specified below: 1. Certified copy of all corporate actions (including a copy of the resolution of the Board of the Investment Manager) approving and allotting the Debt Securities within 1 (one) Business Day from the Deemed Date of Allotment; 2. Credit of the Debt Securities into the demat accounts of the Holders within 2 (two) Business Days from the Deemed Date of Allotment; 3. Certified true copies of the resolutions of the board of directors and shareholders of the relevant other Obligors (other than the Issuer and Project SPVs) and any other corporate authorisations, evidencing corporate power, authority and the required corporate action for entering into the Financing Documents (other than the Financing Documents that are required to be entered into prior

Sr. No.	Term	Description
		to the Deemed Date of Allotment), for the creation of Security (other than the Security that is required to be created prior to the Deemed Date of Allotment) and authorising certain persons to execute such Financing Documents on behalf of the relevant Obligors (other than the Issuer and, Project SPVs), prior to the execution of such Financing Documents; 4. Certified true copies of the applicable Clearances for the execution of the Financing Documents (other than the Financing Documents that are required to be entered into prior to the Deemed Date of Allotment) (including for the creation and perfection of Security in accordance with the terms thereof), including but not limited to resolutions of the shareholders of the relevant Pledgor(s) under Section 180 (1) (a) of the Companies Act, 2013 (if applicable), prior to the execution of such Financing Documents; 5. Certified true copy of the incumbency and specimen signature certificate provided by each Obligor (other than the Issuer and Other SPVs and Holdco) and the New Project SPVs ((i) in respect of New Project SPVs which have been acquired after the Deemed Date of Allotment and which do not have any Existing Senior Creditors, (ii) provided in respect of the New Project SPVs which have been acquired after to the Deemed Date of Allotment and which have Existing Senior Creditors, the compliance of this condition shall be within the Refinance Period which will execute any Financing Document after the Deemed Date of Allotment, setting out the specimen signatures of each person authorized by the resolutions passed by the board of directors of such Obligor and such New Project SPV (other than the Issuer, Other SPVs and HoldCo), prior to the execution of the relevant Financing Documents; 6. Execution of the Financing Documents (other than Financing Documents which are required to be executed prior to the Deemed Date of Allotment) within the timelines mentioned in the Debt Security Trust Deed or Offer Document (it being clarified that the pledge over the securities described in the security clause above shall be created and perfected within the timelines set out therein); 7. Submission of a certificate from an independent chartered accountant evidencing the end use of the Debt Securities and stating that the end use of Issue Proceeds is in compliance with the Purpose, to the Trustee within 60 (sixty) days from the Deemed Date of Allotment; 8. Creation and perfection of the Security contemplated under the Debt Security Trust Deed or the Offer Document within the timelines provided under the security clause in the Debt Security Trust Deed and the Offer Document, including filings under CERSAI, and filings with the registrar of companies; 9. Confirmation of listing of the Debt Securities within 3 (three) Trading Days of the date of bidding on the EBP Bond Platform; 10. Final rating letter(s) and rating rationale and confirmation of a minimum of AAA rating, within 30 (thirty) days of the Deemed Date of Allotment; 11. Copies or originals of Insurance Contracts duly endorsed in favour of the SPV Escrow Bank within a period of 60 (sixty) Business Days from the Deemed Date of Allotment; 12. The Substitution Agreement, the SPV Escrow Agreement, the SPV Supplementary Escrow Agreement and the SPV Deed of Hypothecation shall be executed, created and perfected within timelines mentioned in the security clause of the Debt Security Trust Deed and the Offer Document. 13. Evidence of payment of applicable stamp duty and fees if required under Applicable Law, within 2 (two) Business Days from the Deemed Date of Allotment. 14. Within 30 (thirty) days from the Deemed Date of Allotment, the unique transaction reference (UTR) number denoting payment remitted towards creation of the Recovery Expense Fund.

Sr. No.	Term	Description
		15. Promptly and in no event beyond 7 (seven) Business Days of receipt, a copy of the no-objection certificate from the Tax authorities under section 281 of the Income Tax Act, 1961, Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act, in respect of the Security created by any Obligor pursuant to the relevant Security Documents.
66.	**Event of default (including manner of voting /conditions of joining Inter Creditor Agreement)**	**Events of Default:** The occurrence of any of the specified events below (which is not remedied within the respective cure periods (if any) as specified for such relevant events) shall constitute an "Event of Default", subject to expiry of applicable cure period. There will be no cure period for any Event of Default unless specifically provided for in this Schedule. 1. **Payment Default** Failure by an Obligor to make any payments on any Due Date to the Secured Parties (including payment or repayment of any Debt Securities Outstandings or on acceleration of the Debt Securities) under the Financing Documents (other than the SPV Financing Documents), at the place and in the currency in which it is expressed to be payable, unless such default is on account of a technical error, is capable of being remedied, and is not remedied within 3 (three) Business Days of the relevant Due Date for such payment; 2. **Breach of Financing Documents** (i) Breach of a covenant (other than Financial Covenants), undertaking, condition or any other obligation by the Obligors under the Financing Documents (other than SPV Financing Documents), other than a breach of any obligations contained in the other provisions of this clause (*Events of Default*), and if capable of being remedied or cured, is not remedied or cured within 30 (thirty) Business Days from the notice of such default from the Finance Party; (ii) any action taken in respect of a matter requiring consent from the Majority Holders, Super Majority Holders, Super Majority Creditors, all Holders having been taken without the consent of respective Majority Holders, Super Majority Holders, Super Majority Creditors. 3. **Misrepresentation on or prior to the date of Offer Document** Any representation or warranty or statement made or repeated by an Obligor in any Financing Document (other than SPV Financing Documents), is false, incorrect, incomplete, inaccurate or misleading which results in a Material Adverse Effect provided that the same if capable of being remedied or cured, is not remedied or cured within 30 (thirty) Business Days from the notice of such default from the Finance Party; 4. **Breach of Financial Covenants** Breach of any of the Financial Covenants for 2 (two) consecutive testing periods; 5. **Cross Default** (i) Any payment default, howsoever described, has occurred and is

Sr. No.	Term	Description
		subsisting under any agreement or document relating to any Financial Indebtedness availed by any of the Obligors, or (ii) any lender of any Financial Indebtedness, including any financial institution or bank from whom the Obligors may have availed financial assistance, has declared an event of default, refused to disburse or cancelled or suspended disbursements or recalled its financial assistance or taken any enforcement action or other step in respect of such event of default ("**Cross Default**"); 6. **Insolvency** With respect to any Obligors, any of the following events has occurred: a) it is unable to, is presumed or deemed by Applicable Law to be unable to or admits in writing its inability to, pay its debts as they fall due, or suspends making payments on any of its debts; b) an application for the initiation of any insolvency proceedings against it under any applicable bankruptcy, insolvency, winding up or other similar law (including the IBC) now or hereafter in effect has been filed, which has not been stayed or dismissed within the later of : (I) 14 (fourteen) days from the date of application and (II) effective date of hearing for admission which in no event shall exceed 30 (thirty) Business Days, from the date of filing of the application and where the claim amount is not less than or equal to Rs. 900,00,000 (Rupees Nine Hundred Crores only) unless the same is post the expiry of respective concession period in respect of SPVs and/or HoldCos; c) it consents to the entry of an order for relief in an involuntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law (including the IBC) now or hereafter in effect, or consents to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property; d) an application filed against it, with respect to insolvency, liquidation, bankruptcy, winding up or similar application/petition under any Applicable Law, has been admitted by the relevant authority (other than after the expiry of respective concession period in respect of SPVs and/or HoldCos); e) Any corporate action, legal proceedings or other procedure or step (including petition, giving notice to convene or convening a meeting) is taken by the Obligor for the purposes of implementing a composition, compromise, assignment or arrangement with any creditor (or class of creditors) of any Obligor (save for any steps for any solvent restructuring/ merger); and f) Any encumbrancer lawfully takes possession of, or a judicial custodian, receiver, administrative receiver or trustee or any analogous officer is appointed in respect of the whole or any material part of the undertaking or assets of any Obligor and such appointment is not removed or stayed within

Sr. No.	Term	Description
		a period of 30 (thirty) Business Days from the date of levy of such appointment 7. **Litigation** Any other litigation, arbitration, investigative, enquiry or administrative proceeding is initiated before any court, other Governmental Authority or arbitral tribunal with respect to an Obligor which if adversely determined, (A) may have a Material Adverse Effect; or (B) disputes the legality, validity, enforceability or effectiveness of any Financing Documents (other than the SPV Financing Documents) (or any of the rights and remedies of the Secured Parties thereunder) and of any Security created pursuant to any Security Document and in each case such proceedings have not been stayed, quashed or dismissed within a period of 30 (thirty) days from the date of such order; 8. **Order** With respect to any judgment, an Obligor fails to satisfy or pay any sum due from it under any final non-appealable judgment or any final non-appealable order made or given by a court of competent jurisdiction; 9. **Creation or Perfection of Security** Failure by any Obligor to create and/or perfect the Security Interest over the Secured Assets, in accordance with the provisions of (and within the timelines set forth in) the Debt security Trust Deed and the Offer Document. 10. **Permitted Security Interest** Any Obligor creates any charge on the Secured Assets or any part thereof other than the Permitted Security Interest except as permitted herein; 11. **Invalidity of Financing Document** (a) Any Financing Document or any provision therein is or becomes invalid, illegal or unenforceable. (b) Any of Financing Documents are revoked, declared void, repudiated or terminated (before the stated expiry date thereof) by any Obligor or ceases to be in full force and effect. (c) Any of the Obligors have taken any action to challenge the validity or enforceability of any Financing Document. 12. **Abandonment** Abandonment of the business by the Issuer or any Project by any of the Project SPVs which materially and adversely impacts the obligations of the Issuer under the Transaction Documents (other than the SPV Financing Documents); 13. **Wilful Defaulter** Any of the Obligor(s) or any Person on their board of directors or any Person who is in charge and responsible for the management of their affairs is declared as a 'wilful defaulter' by any bank, financial institution or other entity regulated by RBI/CIC or is a 'non-cooperative borrower', in each case, within the meaning of the term as set out in the guidelines/circulars issued by the RBI from time to time in this regard,

Sr. No.	Term	Description
		and which default if capable of being remedied or cured, is not remedied or cured within 30 (thirty) Business Days from the date of occurrence of such event or such other shorter time period provided under Applicable Law; 14. **Failure to Deposit Receivables** Failure to deposit receivables to be received by the Issuer from any of the SPVs and/or any of the Holding Companies in the Escrow Account, in accordance with the terms of the Financing Documents or failure to deposit receivables of the SPV's in the SPV Escrow Account as per terms of the SPV Escrow Agreement; 15. **Nationalisation** Any Governmental Authority has, by way of an order or direction, condemned, nationalised, seized, or otherwise expropriated all or any substantial part of the Issuer's, any Holding Company's or any SPV's assets and which default if capable of being remedied or cured is not remedied or cured within 30 (thirty) Business Days from the date of occurrence of such event; 16. **Attachment of Assets** Attachment, restraint, execution or distress has been enforced or levied against the whole or a substantial part of the assets of any Obligor and which default if capable of being remedied or cured is not remedied or cured within 30 (thirty) Business Days from the date of occurrence of such event; 17. **Project Documents** (i) any Project Document is terminated prior to its stated expiry date or is repudiated or ceases to be in full force and effect otherwise than by performance or efflux of time or is amended; (ii) any provision of any material Project Document is or becomes invalid, illegal or unenforceable or unlawful to perform or such invalidity, illegally, unenforceability or unlawfulness is asserted by any party thereto or any material Project Documents is repudiated or ceases to be binding on any person who is a party to it; (iii) any material Project Document ceases to be in full force and effect or ceases to give any Obligor the rights, powers and privileges purported to be created thereby or any party thereto shall so assert; or (iv) any breach of the material Project Documents or failure by the Obligors to perform their obligations thereunder, in each case, leading to a Material Adverse Effect, which default if capable of being remedied or cured is not remedied or cured within 30 (thirty) Business Days from the date of occurrence of such event; 18. **Financial Indebtedness** Incurrence of any new Financial Indebtedness by the Issuer other than Permitted Indebtedness. 19. **Credit Rating** (a) The credit rating of the Issuer by any Indian Rating Agency falls to or below 'A' or a new rating of 'A' or lower is assigned to the Issuer by any Indian Rating Agency or the Credit Rating of the Issuer is withdrawn (unless specifically approved by the Holders) except withdrawal of any ratings in respect of any specific debt facility for which here are no amounts outstanding. (b) The Issuer does not have a valid Credit Rating from at

Sr. No.	Term	Description
		least 1 (one) Indian Rating Agencies; 20. **Restricted Payments** The declaration or making of any Restricted Payments without satisfaction of the Restricted Payment Conditions except as permitted in the Debt Security Trust Deed. 21. **InvIT Registration** Cancellation of the registration of the Issuer as an infrastructure investment trust by SEBI. 22. **Material Adverse Effect** A Material Adverse Effect has occurred and if such default is capable of being remedied and/or being cured, is not remedied or cured within a period of 30 (thirty) Business Days from the date of occurrence of default; 23. **DSR** The Issuer fails to maintain the DSR as stipulated in the Financing Documents and if such default is capable of being remedied or cured, is not remedied or cured within a period of 7 (seven) Business Days from the date of occurrence of default; 24. **Material Clearances** Failure by the Obligors to maintain material Clearances in respect of the Transaction Documents and in respect of its business which default if capable of being remedied or cured is not remedied or cured within 30 (thirty) Business Days from the date of occurrence of default. 25. **Insolvency** The Investment Manager becomes insolvent or is wound up, liquidated or dissolved and is not replaced within 90 (ninety) days of such event. 26. **Wilful defaulter - Investment Manager** The Investment Manager or any other Person on its board of directors or any Person who is in charge and responsible for the management of the affairs of the Investment Manager is declared as a 'wilful defaulter' by any bank, financial institution or other entity regulated by RBI/CIC or is a 'non-cooperative borrower', in each case, within the meaning of the term as set out in the guidelines/circulars issued by the RBI from time to time in this regard, and the Investment Manager is not replaced within 90 (ninety) days of such event; 27. **Listing of Units** Units cease to be listed on the stock exchange or cease to exist unless such unlisted InvITs are permitted as per SEBI InvIT Regulations as amended from time to time. 28. **Security Documents** (a) any of the Security Documents once executed and delivered fail to provide the Security Interest, rights and/or title intended to be created thereby (including the priority intended to be created thereby), (b) such Security Interest fails to have the priority and ranking contemplated in such Financing Document, or (c) any such Security Document ceases to

Sr. No.	Term	Description
		be in full force and effect, in each case, which is not restored within a period of 30 (thirty) Business Days from the date of occurrence of default; *Provided that* to the extent an Event of Default relates to an Obligor (other than the Issuer), an Event of Default shall occur under this clause (*Events of Default*), paragraph (1) (*Payment Default*) to the extent it is not a wilful default of payment obligation; paragraph (2) (*Breach of Financing Documents*); paragraph (3) (*Misrepresentation on or prior to the date of Offer Document*); paragraph (5) (*Cross Default*); paragraph (6) (*Insolvency*); paragraph (7) (*Litigation*), paragraph (8) (*Order*); paragraph (11) (*Invalidity of Financing Document*) (to the extent impacted by insolvency of the SPV); paragraph (12) (*Abandonment*); paragraph (14) (*Failure to Deposit Receivables*) (to the extent impacted by insolvency of the SPV); paragraph (15) (*Nationalisation*); paragraph (16) (*Attachment of Assets*); paragraph (17) (*Project Documents*); paragraph (22) (*Material Adverse Effect*) and paragraph (28) (*Security Documents*), only if such default is by: (i) a Relevant SPV or Relevant HoldCo which individually contributes to more than 10% (ten percent) of the Enterprise Value of the Issuer (calculated by taking into account the Relevant SPVs and the Relevant HoldCos) or when aggregated with a default of other Relevant SPVs and Relevant HoldCos (past or present) at any time from the date of the Debt Security Trust Deed until the Final Settlement Date, contribute to more than 10% (ten percent) of the Enterprise Value of the Issuer (calculated by taking into account the Relevant SPVs and the Relevant HoldCos) and the value will based on the last date on which the Valuation Report is submitted in accordance with [Paragraph (a) (i) (13) of Schedule II] of the Debt Security Trust Deed; (ii) an SPV or Holdco not being a Relevant SPVs and Relevant HoldCos, if the lenders of such SPV or HoldCo declare an event of default in relation to any Financial Indebtedness availed by such SPV or HoldCo under their relevant financing documents.
67.	**Creation of recovery expense fund**	(a) The Issuer has created and maintained or shall create and maintain the Recovery Expense Fund with the Stock Exchange as per the provisions of, in the manner provided in and within the timelines set out in, the SEBI NCS Master Circular, Debenture Trustee Regulations, the Master Circular for Debenture Trustees and any other guidelines and regulations issued by SEBI, as applicable. Upon the occurrence of an Event of Default, the Trustee shall, after obtaining consent for enforcement in the manner set out in the Transaction Documents, inform the Stock Exchange seeking release of the Recovery Expense Fund. (b) The Trustee shall follow the procedure set out in the Master Circular for Debenture Trustees for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of the Security. (c) Any balance in the Recovery Expense Fund on the Final Settlement Date, shall be refunded to the Issuer in respect of which a 'no-objection certificate (NOC)' shall be issued by the Trustee to the Stock Exchange. The Trustee shall satisfy itself that there is no 'default' on any other listed debt securities of the Issuer before issuing the no-objection certificate under the terms of this clause.
68.	**Conditions for breach of covenants (as specified in Debenture Trust Deed)**	Please see clauses on *"Events of Default"* and *"Consequences of an Events of Default"* under section titled *"Issue Details"*.
69.	**Provisions related to Cross Default Clause**	Please see clauses on *"Events of Default"* and *"Consequences of an Event of Default"* under section titled "*Issue Details*" which provide cross default as an event of default
70.	**Role and Responsibilities of Debenture Trustee/Trustee**	As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and detailed in Section 3.2 (*Key Terms in relation to the Trustee*) of the Key

Sr. No.	Term	Description
		Information Document.
71.	**Risk factors pertaining to the issue**	Please refer to Section II of General Information Document titled *"Risk Factors"*
72.	**Governing Law and Jurisdiction**	The Financing Documents shall be governed by the laws of India, or as applicable; and subject to exclusive jurisdiction of the courts of Delhi or as may be mutually decided by the parties. However, the Trustee and the Holders shall have the right to go to any other court of a competent jurisdiction.
73.	**Majority Holders**	Shall mean the Holders (by value) of not less than 51% (fifty-one per cent) of the Debt Securities for the time being outstanding
74.	**Super Majority Holders**	Shall mean the Holders (by value) of not less than 75% (seventy five per cent) of the Debt Securities for the time being outstanding
75.	**Creditors**	Means collectively, the Persons providing any Secured Indebtedness to the Issuer, who are a party to the Common Security Trustee Agreement or have acceded to Common Security Trustee Agreement or for whose benefit the facility agent and/or the trustee and/or any other agent appointed for the benefit of any of the Creditors is a party to Common Security Trustee Agreement or has acceded to Common Security Trustee Agreement, and "**Creditor**" means any one of them
76.	**Majority Creditors**	Shall mean the Creditors (by value) of not less than 51% (fifty-one per cent) of the Secured Indebtedness for the time being outstanding
77.	**Super Majority Creditors**	Shall mean the Creditors (by value) of not less than 75% (seventy five per cent) of the Secured Indebtedness for the time being outstanding
78.	**Additional Debt Conditions**	Shall mean the following conditions: (a) the credit rating of the Issuer from the Indian Rating Agencies which have rated the Issuer shall be 'AAA', and there is no Indian Rating Agency which has issued a credit rating of the Issuer below 'AAA', after considering the Additional Debt; (b) Consolidated Net Debt shall be less than the aggregate of (i) 55% (fifty five percent) of the Enterprise Value of the Toll Based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value of the Annuity Based SPV / Hybrid Annuity Based SPVs, or any lower thresholds prescribed as per SEBI Guidelines; (c) Outstanding External Debt shall be less than the Debt Cap; It is clarified that, in case of refinancing of any debt already availed by the Issuer, there shall be no double counting of such previous debt and such Additional Debt availed to refinance the previous debt so long as refinancing is completed within 7 (seven) Business Days from the availing of the Additional Debt; (d) no facilities availed by the Issuer should have been accelerated by the lenders or trustees or debenture holders or creditors of the Issuer; and (e) no notice of Event of Default in relation to a subsisting Event of Default should have been served by the Trustee.
79.	**Sponsor**	Shall mean Galaxy Investments II Pte. Ltd, a company incorporated under the Laws of Singapore, having its registered office at 12 Marina View, #11-01, Asia Square Tower 2, Singapore 018961 and/or any entity designated as the sponsor of the Issuer from time to time in accordance with the SEBI InvIT Regulations. *Provided* in the event the Trust is 'self-sponsored' under the terms of the SEBI InvIT Regulations, Sponsor shall refer to the Investment Manager
80.	**Unitholding Of Issuer**	Means unitholding as on March 31, 2025 published by the Issuer to

Sr. No.	Term	Description
		the stock exchanges from time to time and as provide in **Annexure VI** of the General Information Document.
81.	**Investment Manager**	Shall mean Highway Concessions One Private Limited, a company incorporated under the Companies Act, 1956, with its corporate identification number U45200MH2010PTC208056 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India, or such entity as may be appointed in compliance with Clause 33.1.1(k) and (n) (*Issuer's Undertakings*) of the Debt Security Trust Deed and SEBI InvIT Regulations, which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors, substitutes and permitted assigns
82.	**Project Manager**	Shall mean HC One Project Manager Private Limited, a company incorporated under the Companies Act, 2013 with corporate identification number U74140MH2022PTC390762 and having its registered office at Unit No. 601-602, 6th Floor, Windsor House Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India or such entity as may be appointed in compliance with Clause 33.1.1(l) and (n) (*Issuer's Undertakings*) of the Debt Security Trust Deed and SEBI InvIT Regulations
83.	**InvIT Escrow Bank**	shall mean the bank appointed as the escrow bank pursuant to the Escrow Agreement
84.	**Redemption Price**	shall mean, in respect of any Debt Securities, the Redemption Amount, accrued Coupon and other Debt Securities Outstandings in respect of those Debt Securities
85.	**Debt Service Reserve Account (DSRA)**	Means the debt service reserve sub-account which shall be opened with the Escrow Bank for the deposit of the DSR pursuant to the Escrow Agreement
86.	**DSRA BG**	Shall mean a bank guarantee on terms and conditions which are satisfactory to the Common Security Trustee in an amount equivalent to the DSR, opened by a bank which has obtained rating of not less than 'AA+' on tier 1 bonds issued by such bank, by a Rating Agency provided such DSRA BG meets the requirements set out under Clause 33.1.1(d) (*Security*) of the Debt Security Trust Deed. For the avoidance of doubt, it is clarified that the DSRA BG shall be secured only by proceeds in the Highways Infrastructure Trust - Distribution Sub-Account (as defined in the Escrow Agreement) of the Issuer or from monies infused in the Issuer from the Sponsor and provided such monies do not have recourse to the Secured Assets.
87.	**DSRA FD**	Shall mean a fixed deposit with a bank which has obtained rating of not less than 'AA+' on tier 1 bonds issued by such bank or any other instruments issued by the bank, by a Rating Agency.
88.	**Debt Service Reserve or DSR**	Shall mean the reserve to be created and maintained in cash or in the form of DSRA FD or in the form of a DSRA BG within 15 (fifteen) days from the Deemed Date of Allotment, in an amount equivalent to the ensuing 3 (three) months' of the following: (i) Coupon and (ii) Redemption Amounts (other than any bullet payments of any outstanding debt securities to be made by the Issuer on the Final Redemption Date in accordance with Schedule VII of the Debt Security Trust Deed) provided that during the continuance of a Debt Service Reserve Top Up Event such reserve shall be in an amount equivalent to the ensuing 6 (six) months' of the following: (i) Coupon and (ii) Redemption Amounts (excluding any bullet payments of any outstanding debt securities to be made by the Issuer on the Final Redemption Date in accordance with Schedule VII of the Debt Security Trust Deed).
89.	**Debt Service Reserve Top Up Event**	Shall mean downgrade in the external credit rating of the Issuer by a Rating Agency to AA or below.
90.	**Major Maintenance Reserve (MMR)**	Shall mean the major maintenance reserve required to be maintained by the Issuer or SPVs/ Holdcos as per the Base Case Business Plan (i.e.

Sr. No.	Term	Description
		the cumulative major maintenance requirements for the next 3 (three) months of the SPVs and HoldCos) and as per the condition mentioned in the Escrow Agreement which can also be substituted with the MMR FD or MMR BG, or by way of committed sanctioned undrawn debt facility for the purposes of maintaining the MMR.
91.	**MMR BG**	Shall mean a bank guarantee on terms and conditions which are satisfactory to the Common Security Trustee in an amount equivalent to the MMR, opened by a bank which has obtained rating of not less than 'AA+' on Tier 1 bonds issued by such bank, by a Rating Agency provided such MMR BG meets the requirements set out under Clause 33.1.1(d) (*Issuer's Undertakings*) of the Debt Security Trust Deed. For the avoidance of doubt, it is clarified that the MMR BG shall be secured only by proceeds in the Highways Infrastructure Trust - Distribution Sub-Account of the Issuer or from monies infused in the Issuer from the Sponsor and provided such monies do not have recourse to the Secured Assets;
92.	**MMR FD**	Shall mean a fixed deposit with a bank which has obtained rating of not less than 'AA+' on Tier 1 bonds issued by such bank or liquid/money market mutual funds with an external credit rating of 'AA+', by a Rating Agency
93.	**Undertakings from the Issuer**	The Issuer hereby agrees, undertakes and acknowledges that: (i) it shall open and maintain the Escrow Account, credit all amounts received from the Holding Companies and the SPVs into the Escrow Account and follow the waterfall mechanism laid down in the Escrow Agreement. The Issuer shall have the option to choose the manner in which distribution of funds is received from the SPVs/HoldCos subject to the provisions of the Concession Agreement and the Escrow Agreement; (j) it shall (i) within 15 (fifteen) days from the Deemed Date of Allotment, create and fund the DSRA and maintain the DSR until the Final Settlement Date, provided that if the DSR is maintained through the DSRA BG or DSRA FD, then such DSRA BG or DSRA FD, as the case may be, shall be without recourse to the Obligors (other than recourse to the distributable surplus lying in the Highways Infrastructure Trust - Distribution Sub-Account or from monies infused in the Issuer from the Sponsor). All obligations with respect to the DSRA BG i.e., commission, funding in case of invocation and cash margin shall be fulfilled only from Highways Infrastructure Trust - Distribution Sub-Account or from monies infused in the Issuer from the Sponsor, and the Issuer shall ensure that DSRA BG is renewed at least 15 (fifteen) days prior to its expiry. In the event of failure of the Issuer to procure such renewal, the Issuer agrees that the Trustee is entitled to invoke such DSRA BG; (ii) create and fund the MMR either at the Issuer level in accordance with the Escrow Agreement or at the relevant SPV level, until the Final Settlement Date, provided that if the MMR is maintained through the MMR BG or MMR FD, then such MMR BG or MMR FD, as the case may be, shall at all times be without recourse to the Obligors (other than recourse to the distributable surplus lying in the Highways Infrastructure Trust - Distribution Sub-Account or from monies infused in the Issuer from the Sponsor and provided such monies do not have recourse to the Secured Assets) or by way of committed sanctioned undrawn debt facility for the purposes of maintaining the MMR. All obligations with respect to the MMR BG, i.e., commission, funding in case of invocation and cash margin shall be fulfilled only from the Highways Infrastructure Trust - Distribution Sub-Account or from monies infused in the Issuer from the Sponsor and provided such monies do not have recourse to the Secured Assets, and the Issuer shall ensure that MMR BG is renewed at least 15 (fifteen) days prior to its expiry. In the event of failure of the Issuer to procure such renewal,

Sr. No.	Term	Description
		the Issuer agrees that the Trustee is entitled to invoke such MMR BG; (k) any acquisition of new projects or special purpose vehicles, other than the Project SPVs or the New Project SPVs and/or Security Interest sharing with incoming lenders of Other SPVs or HoldCos, may be done without prior approval of Trustee or the Holders subject to satisfaction of Additional Debt Conditions. The parameters provided in the definition of Additional Debt Conditions shall be complied at the Issuer level after considering/ accounting for acquisition of such new assets. If any of the above conditions are not met while acquiring a new asset (other than Project SPVs and New Project SPVs) and/or creating Security Interest for incoming lenders of Other SPVs or HoldCos, then that particular acquisition shall be subject to the approval of the Trustee and creation of such Security shall be subject to consent of the Super Majority Creditors. It is hereby clarified that in the event the consent of the Super Majority Creditors is obtained, then dissenting Holders, if any, shall be prepaid, the Early Redemption Amount (excluding Prepayment Premium) at the option of such dissenting Holders, in full, by the Issuer within a period of 120 (one hundred and twenty) days from the date of such approval by the Super Majority Creditors or the date of exercise of such option by such dissenting Holders, whichever is later, without the payment of Prepayment Premium but subject to payment of Make Whole Amount, Unwinding Costs; (l) The Issuer shall provide a prior intimation of 15 (fifteen) days with necessary documents by way of a certification from Key Managerial Personnel of the Investment Manager confirming that the Issuer is in compliance with the Additional Debt Conditions in connection with acquisition of new asset, except credit rating and certificate for Consolidated Net Debt to Enterprise Value, which should be obtained (i) any time before signing of the financing documents towards refinancing the existing debt of proposed acquisition, or (ii) within 30 (thirty) days of such acquisition, whichever is earlier; (m) any funds available with the Issuer shall be used to make good any shortfall in the Debt Securities Outstandings; (n) (i) it shall not exercise any rights under the SPV Financing Documents without prior consent of the Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)) upon occurrence of Event of Default, (ii) prior to occurrence of any Event of Default, it shall not take any actions, and it shall at all times act in accordance with instructions of Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)) in relation to accelerated demand of interest or repayment of principal amounts under the SPV Financing Documents, or disposal / enforcement of security created under the SPV Financing Documents, alteration of interest or any default/penal interest or charge agreed under SPV Financing Documents, declaration or enforcement of any rights pursuant to occurrence of event of default under SPV Financing Documents, and (iii) in case of default on the Issuer Loans leading to termination or suspension , as per provisions of the Concession Agreements, the Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)) will have the right to instruct the Issuer to enforce the security under the SPV Financing Documents and provide other instructions to the Issuer and the Issuer shall follow these instructions; (o) it shall ensure that the Sponsor shall maintain its holding in

Sr. No.	Term	Description
		the Issuer as per regulatory guidelines including the SEBI InvIT Regulations. The Sponsor shall not sell any Units which will result in a breach of regulatory guidelines including SEBI InvIT Regulations; (p) it shall ensure, except with prior approval of the Trustee, acting on the instructions of the Super Majority Creditors, which approval shall not be unreasonably withheld, that at least 51% (fifty one percent) of the total paid up capital of the Investment Manager on a fully diluted basis is directly or indirectly held by KKR and/or its Affiliates. It is hereby clarified that in the event the consent of the Super Majority Creditors is obtained ("IM Prepayment Event"), then dissenting Holders, if any, shall be prepaid without any Prepayment Premium but subject to payment of Make Whole Amount, Unwinding Costs, at the option of such dissenting Holders, in full, by the Issuer within a period of 120 (one hundred and twenty) days from the date of such approval by the Super Majority Creditors or the date of exercise of such option by such dissenting Holders, whichever is later ("IM Prepayment Event Period") . Provided however that in case of occurrence of an IM Prepayment Event and the dissenting Holders exercising the aforesaid prepayment right at any time prior to the occurrence of 1st (first) anniversary of the Deemed Date of Allotment, the Debt Securities of such dissenting Holders shall stand automatically accelerated and the Issuer shall pay the Early Redemption Amount (excluding Prepayment Premium) on or prior to the expiry of the IM Prepayment Event Period (and such acceleration event shall be deemed to constitute an Event of Default); and (q) it shall ensure, except with prior approval of the Trustee, acting on the instructions of the Super Majority Creditors, which approval shall not be unreasonably withheld, that at least 51% (fifty one percent) of the total paid up capital of the Project Manager on a fully diluted basis is directly or indirectly held by KKR and/or its Affiliates. It is hereby clarified that in the event the consent of the Super Majority Creditors is obtained ("PM Prepayment Event"), then dissenting Holders, if any, shall be prepaid without the Prepayment Premium but subject to payment of Make Whole Amount, Unwinding Costs , at the option of such dissenting Holders, in full, by the Issuer within a period of 120 (one hundred and twenty) days from the date of such approval by the Super Majority Creditors or the date of exercise of such option by such dissenting Holders, whichever is later ("PM Prepayment Event Period"). Provided however that in case of occurrence of an PM Prepayment Event and the dissenting Holders exercising the aforesaid prepayment right at any time prior to the occurrence of 1st (first) anniversary of the Deemed Date of Allotment, the Debt Securities of such dissenting Holders shall stand automatically accelerated and the Issuer shall pay the Early Redemption Amount (excluding Prepayment Premium) on or prior to the expiry of the PM Prepayment Event Period (and such acceleration event shall be deemed to constitute an Event of Default). (r) shall ensure at all times until the Final Settlement Date, that the Outstanding External Debt is less than the Debt Cap.
94.	**SPV/HoldCo Undertakings**	(i) The Issuer shall, in accordance with the timelines provided below, procure and furnish from each SPV and each HoldCo (not being a Non Recourse SPV or Non- Recourse HoldCo) an undertaking as follows: (a) the SPVs and the HoldCos undertake not to create any Security Interest over their respective immovable assets, movable assets, current assets and cash flows save and except any Permitted Security Interest or as otherwise permitted by the Secured Parties from time to time;

Sr. No.	Term	Description
		(b) the SPVs and the HoldCos shall not raise, incur or permit to exist, without the prior approval of the Trustee (acting on the instructions of the Super Majority Holders) , any Financial Indebtedness other than Permitted Other Obligor Indebtedness; (c) the SPVs and the HoldCos will take prior approval of the Trustee (acting on the instructions of the Majority Holders) before undertaking any amendment to the Project Documents or the Financing Documents to which they are a party or any Clearance (if applicable) which has a Material Adverse Effect; (d) the SPVs and the HoldCos will not invest/ lend funds to any party (other than the Issuer) except for temporary deployment in normal course of business in permitted investments (as defined in SPV Financing Documents) without the consent of the Trustee (acting on the instructions of the Majority Holders) (e) the SPVs and the HoldCos will ensure that no Key Managerial Personnel or any Person on the board of directors or any Person in charge and responsible for the management of its affairs of the SPVs or HoldCos shall be on the wilful defaulter list of RBI/CIC; provided that if such person is included under the wilful defaulter list of RBI/CIC, such person shall be expeditiously removed by the SPV or HoldCo; (f) the SPVs and the HoldCos will ensure that all cash flows of such entity shall be routed through the SPV Escrow Accounts and no other accounts; (g) the SPVs and the HoldCos will ensure that the independent engineer if required to be appointed for the purpose of compliance of provisions of Concession Agreement shall have submitted the report towards capital expenditure and major maintenance requirement of each Project and the same shall be provided to the Holders, upon request by such Holder; (h) the SPVs and the HoldCos will ensure that all Insurance Contracts are in full force and effect; (i) the SPVs and the HoldCos will ensure that all material Clearances and material Project Documents shall be maintained in full force and effect to ensure the same do not impede the ability of the Issuer to service its debt obligations under the Financing Documents (other than the SPV Financing Documents); (j) the SPVs and the HoldCos will ensure that the Issuer Loans provided to them are recognised and approved by the Concessioning Authority, if required under the Concession Agreement. (k) the SPVs and the HoldCos shall not sell/dispose any of its assets except assets with cumulative value up to Rs. 2,00,00,000 (Rupees Two Crores only) in any Financial Year for each SPV without the approval of the Trustee (acting on the instructions of the Majority Holders); (l) other than Financial Indebtedness described in limb (a) of the definition of Permitted Other Obligor Indebtedness as defined in the Deed, the SPVs and the HoldCos will ensure that loans (other than Pass-through Claims and Earnout Amount), if any, extended by any third parties to them waive their legal rights at all times till the Final Settlement Date; (m) the SPVs and the HoldCos shall on the receipt of any Mandatory Prepayment Proceeds ensure that they upstream such proceeds to the Issuer by way of deposit into the Escrow Account within 2 (two) days of receipt of the Mandatory Prepayment Proceeds, in accordance with the terms of the SPV Escrow Agreement and the SPV Supplementary Escrow Agreement; (n) the SPVs and the HoldCos will acknowledge and agree to the Security including the assignment of the Issuer Loans by the Issuer in favour of the Common Security Trustee; (o) the SPVs and the HoldCos undertake that all amounts (including distributable surplus) available in the SPV Escrow Accounts shall be transferred to the Escrow Account in accordance with the SPV Escrow Agreement, the SPV Supplementary Escrow Agreement and in accordance with the SEBI Guidelines on or before the end of each Financial Quarter after meeting the operations and maintenance

Sr. No.	Term	Description
		("O&M") and major maintenance costs of such SPV or Holdco as per the Base Case Business Plan and it shall be ensured that at least such sums are transferred to Escrow Account in a manner that ensures that amounts required for meeting payment obligations under the Debt Security Trust Deed are available with the Issuer at least 1 (one) Business Day prior to the Due Date. Further, the SPVs and the HoldCos shall agree and undertake that all proceeds lying in the SPV Escrow Accounts of the HoldCos and the SPVs shall be withdrawn or transferred only for the purposes and in the order of priority set out in their respective SPV Escrow Agreements and the HoldCo and SPVs may not otherwise withdraw or transfer such amounts from the SPV Escrow Accounts and the SPV Supplementary Escrow Account. (ii) The undertakings described in paragraph (i) above shall be provided in the following manner: (a) the undertakings in respect of the Project SPVs (not being a Non-Recourse SPV) shall be obtained on or prior to the Deemed Date of Allotment; and (ii) the undertakings in respect of the Other SPVs or HoldCo (including the New Project SPVs but not being a Non Recourse SPV or Non Recourse HoldCo) shall be obtained within 180 (one hundred and eighty) of refinancing of the Existing Senior Creditors of such Other SPV or HoldCo or such other extended period as may be provided by the Trustee (acting on the instructions of the Holders) and in connection with Other SPVs or HoldCos where there is no Existing Senior Creditor, within 30 (thirty) days from the date of acquisition of such Other SPV or HoldCo or such other extended period as may be provided by the Trustee (acting on the instructions of Holders). Notwithstanding anything to the contrary that may be contained in the Key Information Document, the Debt Security Trust Deed or any other Financing Document, including Clause 31.1 (Security) to 31.7 (*SPV/Holdco Undertakings*) of the Debt Security Trust Deed, the Other SPVs and the HoldCos shall not be required to provide any Security or be required to deposit any cashflow into the Escrow Account or execute any of the SPV Financing Documents or provide the undertakings as mentioned in the Debt Security Trust Deed or securities or assets of such Other SPV or HoldCo shall not be required to be subject to any Security Interest, during the Refinance Period. Notwithstanding anything to the contrary that may be contained in the Key Information Document, the Debt Security Trust Deed or any other Financing Document, including Clause 31.1 (Security) to 31.7 (*SPV/Holdco Undertakings*) of the Debt Security Trust Deed, the Other SPVs or the HoldCos shall not be required to provide any Security or be required to deposit any cashflow into the Escrow Account or execute any of the SPV Financing Documents or provide the undertakings as mentioned in above or securities or assets of such Other SPV or HoldCo shall not be required to be subject to any Security Interest, till the time any Financial Indebtedness availed by the Other SPVs or HoldCo form part of limb (a) of the definition of Permitted Other Obligor Indebtedness. For avoidance of doubt, it is clarified (i) debt of Non-Recourse SPV or Non-Recourse Holdco within the Refinance Period shall not be considered for calculating the 5% (five percent) threshold set out in limb (a) of the definition of Permitted Other Obligor Indebtedness; and (ii) GRICL shall not be required to be refinanced within the Refinance Period. Notwithstanding the foregoing or anything contained in the Key Information Document, the Debt Security Trust Deed or any other Financing Document, the Pass-through Claims, to the extent of the amounts received by a SPV or Holdco in relation to relevant Pass-through Claims and adjusted for costs and such other amounts as agreed and set out in the relevant acquisition agreement with respect to such relevant SPV or HoldCo, shall be paid directly by the relevant SPV or Holdco to the erstwhile shareholders or their Affiliates, without requiring to comply with the waterfall mechanism set out in the Financing Documents. The SPV Supplementary Escrow Agreement

Sr. No.	Term	Description
		shall have the relevant provisions in this regard. Notwithstanding the foregoing or anything contained in the Key Information Document, the Debt Security Trust Deed or any other Financing Document, Earnout Amount shall at all times, be unsecured and shall be paid by utilizing the balances only from the (i) Highways Infrastructure Trust – Distribution Sub-Account; and/or (ii) Highways Infrastructure Trust – Equity Proceeds Account; and/ or (iii) Highways Infrastructure Trust – Issue and Disbursement Proceeds Account (collectively, the "**Designated Payment Accounts**"). The Issuer undertakes that in the event that there are insufficient funds in the Designated Payment Accounts, to make any payment of such Earnout Amount, then the Issuer shall arrange funds from any other source it may deem fit, for paying out the Earnout Amount without recourse to the cashflows in the Escrow Account (except the Designated Payment Account). It is clarified that balances from the Designated Payment Accounts may be infused in the relevant SPV/ HoldCo to facilitate the payment of the Earnout Amount.
95.	**Financial Covenants**	The Issuer as on the relevant date maintain at all times the following ratios on Consolidated Basis ("**Financial Covenant**"): 1. The Issuer shall maintain a DSCR of at least 1.25:1 which shall be tested on a quarterly basis with the first such testing to be done for the Financial Year ending March 31, 2025. The DSCR shall be certified in the following manner: (i) at the end of each Financial Year, by an independent chartered accountant and based on audited financial statements (ii) for the Financial Quarter ending on June 30, September 30 and December 31 for the purposes of testing compliance with the Restricted Payment Conditions, certified by the Key Managerial Personnel of the Investment Manager and an independent chartered accountant, based on unaudited financial statements for each quarter ending June 30, September 30 and December 31 on a trailing 12 (twelve) months basis. 2. Consolidated Net Debt shall be less than the aggregate of (i) 55% (fifty five percent) of the Enterprise Value of the Toll Based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value of the Annuity Based SPV / Hybrid Annuity Based SPVs or any lower thresholds prescribed as per SEBI Guidelines), which shall be tested on a semi-annual basis or at such frequency as required by the SEBI InvIT Regulations whichever is more frequent.
96.	**Affirmative Covenants**	a. Unless Holders or the Trustee otherwise agree in writing (acting in accordance with Relevant Instructions (as understood under the Debt Security Trust Deed)), the Issuer shall (and shall ensure and procure that each of the other Obligors (other than the Non-Recourse SPVs), unless otherwise specified herein, shall at all times until the Final Settlement Date, be in compliance with the following covenants: i. maintain its existence as an InvIT or a company (as the case may be) and comply with its respective Constitutional Documents; ii. carry out and conduct its business (A) with due diligence and efficiency in all material respects, and (B) in accordance with Prudent Industry Practice; iii. ensure that the Issue Proceeds are utilised exclusively towards the Purpose; iv. comply with (A) the Financing Documents; and (B) all Applicable Laws in all material respects; v. engage in business which is permitted by Constitutional Documents;

Sr. No.	Term	Description
		vi. not do, voluntarily suffer or permit to be done, any act or omission, by which its right to transact its business might or could be terminated or payment of any Debt Securities Outstandings may be hindered or delayed; vii. promptly obtain, maintain in force and comply, in all material respects, with all the conditions and restrictions contained in or imposed by, and do all that is necessary and material to maintain in full force and effect all such Clearances applicable to the operation of its business; and (ii) in all material respects with Clearances required to lawfully enter into and perform its obligations under the Issuer Financing Documents or to ensure its legality, validity and admissibility in evidence; viii. comply in all material respects with the provisions of the Project Documents provided that this clause shall apply with respect to New Project SPVs from the date 270 (two hundred and seventy) days from refinancing of Existing Senior Creditors of such New Project SPV or the date of signing of Substitution Agreement by such New Project SPV, whichever is earlier. ix. promptly, upon receipt of request from the Trustee, supply certified copies to the Trustee of all necessary Clearances required by the Obligors (as applicable) to: 1. enable it to perform its obligations under the Financing Documents; 2. ensure the legality, validity, enforceability or admissibility of the Financing Documents in evidence in India; x. pay Taxes, when due and as required to be paid under Applicable Law, except Taxes, which are Contested in Good Faith. xi. appoint and maintain the Auditor of the Issuer and irrevocably authorise such Auditor (whose fees and expenses shall be for the account of the Issuer) to communicate directly with the Trustee and the Holders at any time regarding the Issuer's accounts and operation. With respect to the Other SPVs, ensure appointment and maintenance of an independent auditor who shall be one of the firms of independent auditors appointed from the list of auditors empaneled with respective Concessioning Authority. xii. institute, maintain and comply with internal policies, procedures and controls consistent with the business and customer profile of the Issuer, each Project SPV and each Holdco, for the purpose of: (a) preventing fraud on amounts lent/invested by the Issuer; and (b) preventing money being used for money laundering or illegal purposes; xiii. submit a Valuation Report as per SEBI Guidelines or at least once in a Financial Year to the Trustee; and xiv. make timely claims under the Issuer Loans to ensure the Issuer has sufficient funds for payment of the Debt Securities Outstandings. b. Unless the Holders or the Trustee otherwise agree in writing (acting in accordance with Relevant Instructions (as understood under the Debt Security Trust Deed)), the Issuer shall, and shall procure that each of the other Obligors (other than the Non-

Sr. No.	Term	Description
		Recourse SPVs) shall: i. comply in all respects with the provisions of the Transaction Documents (other than the Project Documents); ii. ensure that the Security created pursuant to each Financing Document shall have the ranking it is expressed to have and that each of the Financing Documents is maintained in full force and effect; iii. ensure that there are no agreements or instruments, which have been executed by such Person (and shall not enter into any agreements or instruments) which have the effect of amending or modifying the Financing Documents to which such Person is a party; iv. ensure that the validity and enforceability of the Security is maintained and take all steps necessary, including executing further documents, if required, for this purpose; v. agree, acknowledge and undertake that the obligations under the Financing Documents, to which they are a party, are absolute irrespective of any inter se arrangement between them; c. Unless the Holders or the Trustee otherwise agrees in writing (acting in accordance with Relevant Instructions (as understood under the Debt Security Trust Deed)), the Issuer shall and shall procure that the other Obligors (other than the Non-Recourse SPVs) shall: i. maintain and keep in proper order, repair and in good condition their respective assets and properties owned by the Obligors, subject to ordinary wear and tear; ii. keep their respective Secured Assets and all monies received by them in relation to the Secured Assets and all documents in relation thereto, subject to the Security Interest created under or pursuant to the Financing Documents (other than the SPV Financing Documents) distinguishable, and shall hold them as the property of the Common Security Trustee and shall deal with them under the directions of the Trustee and/or Holders, the Common Security Trustee or as provided under the Financing Documents (other than the SPV Financing Documents) or documents executed / issued in relation to Additional Debt (provided that, in respect of sharing with Additional Lenders, when such Additional Debt was availed from such Additional Lender, the Issuer was in compliance with the Additional Debt Conditions or otherwise permitted by the Super Majority Creditors in accordance with [Clause (c)(v) (*Negative Covenants*) of Schedule III (*Covenants*) of the Debt Security Trust Deed]); iii. keep all books of account as required by the Act (if applicable) and/or in accordance with Indian Accounting Standards and applicable accounting practices and make true and proper entries of all dealings and transactions of and in relation to the Secured Assets in such books of account and should not radically change its accounting system without notice to the Trustee; and iv. keep all said books of account and all other books, registers and other documents relating to its affairs at its registered office or principal place of business (as applicable), and where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept. The Trustee shall

Sr. No.	Term	Description
		have the right to inspect such documents at any time in accordance with Clause 10.1.6 (*Power of Trustee to Inspect*) of the Debt Security Trust Deed; d. The Issuer shall, reimburse, in accordance with Clause 38.1 (*Costs and Expenses*) of the Debt Security Trust Deed, all sums paid or expenses incurred by the Trustee or any receiver, attorney, manager, agent or other Person appointed by the Trustee for all or any of the purposes mentioned in this Key Information Document or the Debt Security Trust Deed or in connection with the Debt Securities, within 30 (thirty) days of a notice of demand from them in this behalf and all such sums shall carry Payment Additional Interest from the date of expiry of the aforesaid period of 30 (thirty) days till paid; e. The Issuer shall, in accordance with the provisions of the Offer Document and the Debt Security Trust Deed, allot the Debt Securities and continue to observe and act in accordance with the terms of Debt Securities as set out in the Offer Document and in the other Financing Documents (other than the SPV Financing Documents); f. The Issuer agrees that upon the occurrence of an Event of Default, the Trustee shall have the right to appoint any independent/ concurrent auditors/ consultants for review of the business of the Issuer as deemed fit till the Final Settlement Date and the Issuer shall bear the expenses in this regard; g. If in the reasonable opinion of the Trustee there exists any fraud or misrepresentation on the part of the Issuer, in relation to the Obligors, the Trustee shall, at its discretion, have a right to conduct an investigation into the same either themselves or through any of their consultants or agents. The costs of such investigation shall be borne by the Issuer; h. The Issuer shall (and shall ensure that the other Obligors will) promptly notify the Holders in writing as soon as reasonably practicable upon becoming aware of any Environmental Claim which has been commenced or (to the best of such Obligor's knowledge and belief) is threatened in writing against any Obligor; i. The Issuer shall (and shall ensure that the other Obligors shall) promptly report to the Trustee in writing, upon becoming aware that the Obligors (or any of their Associated Persons involved in the transactions contemplated under the Financing Documents) have, in connection with the Issue or the Financing Documents: i. committed an actual or suspected breach of any Applicable Sanctions and Anti-Corruption Law; ii. received any request or demand for any undue financial or other advantage in connection with the Issue or the performance of the Financing Documents; or iii. are the subject of any police, judicial or regulatory investigation or proceedings in relation to any suspected breach of any Applicable Sanctions and Anti-Corruption Law. j. The Issuer hereby undertakes on its behalf, to ensure the compliance of the provisions of the FATCA at all times until the Debt Securities Outstandings have been repaid. The Issuer agrees to provide the respective authorities with any documentation or information requested relating to itself, any

Sr. No.	Term	Description
		beneficiary or related tax entity to the extent required by the Trustee or of the Holders for meeting its compliances; k. The Issuer agrees that the Trustee (acting on the instructions of Majority Holders) shall have the right to appoint a traffic consultant, independent engineer, insurance advisor, legal counsel or any other such consultants at all times till the Final Settlement Date for conducting due diligence on the Obligors at the cost and expense of the Issuer; l. The Issuer shall ensure that all the projects already acquired or to be acquired in future, under the InvIT should be in compliance with the SEBI InvIT Regulations; m. The Issuer shall ensure that (i) the terms of the Issuer Loans (including repayment schedule for Issuer Loans) as provided in the SPV Financing Documents are in a form approved by the Trustee (ii) the SPV Financing Documents restrict foreclosure or prepayment of the Issuer Loans unless the same has been approved by the Trustee or is expressly permitted in the SPV Financing Documents; (iii) all payments of the Issuer Loans to the Issuer take place as per the provisions agreed in the SPV Financing Documents; and (iv) in case of default on the Issuer Loans leading to termination or substitution, as per provisions of the Concession Agreements, the Trustee acting on the instructions of the Super Majority Holders will have the right to instruct the Issuer to enforce the security under the SPV Financing Documents and provide other instructions to the Issuer and the Issuer shall follow these instructions; *n.* The Issuer shall undertake an annual review of its Credit Rating from at least 2 (two) of the Indian Rating Agencies at its own costs; The Issuer shall ensure that the Credit Rating obtained for the Debt Securities includes the principal amount of such Debt Securities. o. Ensure that payment obligations under the Financing Documents (other than the SPV Financing Documents) rank at least *pari passu* with the claims of all its other senior unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law. p. The Issuer shall ensure that any new Recourse Holdco incorporated for holding any Project SPV after the date of the Debt Security Trust Deed shall not result in the Issuer's holding in any Project SPV being diluted from what it was prior to the incorporation of such Recourse Holdco. q. Declassification 1. On and at any time after the occurrence of a Declassification Event, the Trustee may, acting on the discretion of the Majority Holders, by notice to the Issuer, declassify the issuance as "sustainability-linked". 2. With effect on and from the date of occurrence of a Declassification Event: i. Clause 6(b)(ii) (*Sustainability Performance Targets*) of Schedule I (*Terms and Conditions of the Debt Securities*) of the Debt Security Trust Deed and each sustainability provision shall cease to apply; and

Sr. No.	Term	Description
		ii. the Rate Revision Confirmation can no longer be issued. 3. The issuance may not be re-classified as "sustainability-linked". 4. The Issuer shall not make any disclosure that references the issuance as "sustainability-linked" at any time on or after the Declassification Event. r. Sustainability Amendments 1. The Issuer shall, as soon as reasonably practicable after a Sustainability Amendment Event (and in any event within [●] days following the occurrence of that Sustainability Amendment Event), provide details to the Trustee or monitoring agency of the effect such event could reasonably be expected to have on any KPI or any SPT and, if relevant, propose amendments to any Calculation Methodology, KPI and/or SPT definition and/or to any related term of this Key Information Document or the Debt Security Trust Deed, to eliminate, accommodate or otherwise take into account the effect of the relevant Sustainability Amendment Event on the terms of the Debt Security Trust Deed. 2. If a Sustainability Amendment Event has occurred, the Issuer and the Trustee or monitoring agency, on behalf of the Majority Holders, shall enter into negotiations in good faith for a period of 60 (sixty) days (or such longer period as the Trustee or the monitoring agency agrees) (an "**SLB Consultation Period**") with a view to agreeing such amendments to any Calculation Methodology, KPI, SPT and/or any related terms of the Key Information Document or the Debt Security Trust Deed, in accordance with the opinion provided by the SPO (the cost of such opinion should be borne by the Issuer), as are necessary for the purposes of eliminating, accommodating or otherwise taking into account the effect of the relevant Sustainability Amendment Event on the terms of the Debt Security Trust Deed. 3. Any amendments to the terms of the Debt Security Trust Deed pursuant to a Sustainability Amendment Event should be approved by a Majority Resolution. 4. In case any Sustainability Amendment Event is approved, the updated KPIs and/or SPTs will replace the existing Schedule XVI (*Sustainability Calculations*) of the Debt Security Trust Deed and become Schedule XVI (*Updated Sustainability Calculations*) of the Debt Security Trust Deed for the purpose of the Debt Security Trust Deed.
97.	**Negative Covenants**	The Issuer hereby agrees that it shall not (and shall procure that the other Obligors, where applicable shall not) undertake the following without the prior written consent of the Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed) unless otherwise provided) or such other percentage as is required under the Key Information Document or the Debt Security Trust Deed (i) Modifications of Constitutional Documents The Issuer shall not make amendments to its Constitutional Documents or Trust Documents in any manner which prejudicially affects the interests of the Holders or has a Material Adverse Effect.

Sr. No.	Term	Description
		(ii) Consolidation and Restructuring The Issuer shall not undertake or permit any consolidation, re-organization, corporate restructuring, capital reduction (except on account of distribution on Units or buyback of Units), or compromise with its creditors or Unitholders or formulate any scheme of amalgamation or reconstruction or merger or de-merger or asset sale except any restructuring or mergers on a solvent basis. (iii) Sale/Disposal The Issuer shall not sell/ dispose any securities in any SPVs or HoldCos (except Non-Recourse SPVs or Non-Recourse HoldCos) or permit any change in management control of the SPVs or HoldCos (except Non-Recourse SPVs or Non-Recourse HoldCos). The Issuer shall not sell/dispose any of its assets or permit any SPVs or HoldCo (except Non-Recourse SPVs or Non-Recourse HoldCos) to sell/dispose any of its assets except assets with cumulative value up to Rs. 2,00,00,000 (Rupees Two Crores only) in any Financial Year for each SPV or HoldCo (except Non-Recourse SPVs or Non-Recourse HoldCos). (iv) Restricted Payment The Issuer shall not declare or make any Restricted Payments, unless the Restricted Payment Conditions have been satisfied and the Issuer has furnished certificates from [the Investment Manager] confirming compliance with Restricted Payment Conditions to the satisfaction of the Trustee. Provided that a certificate from an independent chartered accountant shall be provided confirming compliance with [Clause (d) (viii) (I) of Schedule III (Covenants) of the Debt Security Trust Deed] for such period from the independent chartered accountant. No consent of the Trustee or Holders shall be required for making a Restricted Payment as long as the above conditions are in compliance. Restricted Payments may be made on quarterly intervals. However, in case the Issuer wants to declare and make Restricted Payments at any time interval lower than quarterly intervals, then the Issuer shall submit the certificate for compliance with [Clause (d) (viii) (I) of Schedule III (Covenants) of the Debt Security Trust Deed] for such period from the independent chartered accountant or the statutory auditor of the Issuer and upon such certification may make such Restricted Payment. Further, all debt instruments issued by, or debt obligations owed by, the Issuer (other than Pass-through Claims and Earnout Amount) to the Sponsor or any other Unitholder will be subordinate to the Debt Securities and such Person shall waive all their rights of seeking any future course of action until the Final Settlement Date. (v) Further Indebtedness Incur, assume or permit to exist any Financial Indebtedness except the Permitted Indebtedness (in the case of the Issuer) and Permitted Other Obligor Indebtedness (in the case of the other Obligors (other than Non Recourse SPV or Non Recourse HoldCo) without the consent of the Super Majority

Sr. No.	Term	Description
		Creditors. It is hereby clarified that in the event the written consent of Super Majority Creditors is obtained then the Issuer may avail such indebtedness and the dissenting Holders, if any, shall be prepaid, at the option of such dissenting Holders, in full, by the Issuer within a period of 120 (one hundred and twenty) days from the date of exercise of such option by such dissenting Holders or the date of such approval from the Super Majority Creditors, whichever is later. In the event Additional Debt Conditions are satisfied, the Issuer may avail Additional Debt without requiring consent of the Trustee or Holders. (vi) Proceedings The Issuer shall not, and shall procure that no Obligor shall, initiate or take any action towards any voluntary winding up, liquidation, bankruptcy, insolvency or dissolution proceeding of any nature whatsoever, under Applicable Law including IBC until the Final Settlement Date (other than after the expiry of respective concession period in respect of SPVs and/or HoldCos). (vii) The Issuer shall not utilise the proceeds of any Additional Debt for the redemption of any Units without the written consent of the Trustee (acting on the instructions of all the Holders). (viii) Modification to Financial Year The Issuer shall not change and shall ensure that the other Obligors do not change their Financial Year except as required under Applicable Laws.. (ix) No Security Interest / Guarantees The Issuer shall not create any Security Interest on the Secured Assets, except the Permitted Security Interests. It is hereby clarified that in the event the written consent of Super Majority Creditors is obtained for any Additional Debt pursuant to which Security Interest is required to be created then the Issuer may create such Security Interest and the dissenting Holders, if any, shall be prepaid, at the option of such dissenting Holders, in full, by the Issuer within a period of 120 (one hundred and twenty) days from the date of exercise of such option by such dissenting Holders or the date of such approval from the Super Majority Creditors, whichever is later. The Issuer shall be permitted to create Permitted Security Interest without the consent of the Trustee or the Holders. Notwithstanding anything to the contrary contained herein or in any of the Financing Documents, the Security Interest over the assets and securities of each SPV or HoldCo which was created at the time that such SPV or HoldCo was acquired by the Issuer to secure any Permitted Other Obligor Indebtedness under limb (a) of the definition of Permitted Other Obligor Indebtedness, in respect of Non-Recourse SPVs or Non-Recourse HoldCo with aggregate Financial Indebtedness not exceeding 5% (five percent) of the Outstanding External Debt, shall be permitted. For avoidance of doubt, it is clarified (i) debt of Non-Recourse SPV or Non-Recourse Holdco within the Refinance Period shall not be considered for calculating the 5% (five percent) threshold set out in limb (a) of the definition of Permitted Other Obligor

Sr. No.	Term	Description
		Indebtedness; and (ii) GRICL shall not be required to be refinanced within the Refinance Period. The Issuer shall not, and shall ensure that the other Obligors shall not, without prior written approval from the Super Majority Creditors provide any guarantee, letter of comfort or other similar arrangement except Permitted Indebtedness and Permitted Other Obligor Indebtedness, nor create any Security Interest except Permitted Security Interest, or as may be required as per the terms of the Concession Agreement of the respective SPVs or HoldCos, as applicable, or as may be required for the payment of Pass-through Claims and Earnout Amounts or such guarantees as may be required for the purpose of fulfilling its obligations under Applicable Law (the value of which shall not exceed Rs. 10,00,000 (Rupees Ten Lakhs) per SPV or HoldCo as the case may be, including corporate social responsibility related guarantees). The Issuer and the SPVs and HoldCos shall be permitted to avail Permitted Indebtedness and Permitted Other Obligor Indebtedness without the consent of the Holders. The Issuer and other Obligors shall be permitted to create Permitted Security Interest without the consent of the Holders. (x) Willful Defaulter The Issuer shall not and shall ensure that other Obligors, Sponsor will not become willful defaulters or fugitive economic offenders and do not appoint a person as director who is also a director on the board of any other company, which has been identified as a willful defaulter or fugitive economic offender by any bank or financial institution as per the parameters determined by the RBI/CIC from time to time or appoint any Person on the Obligors' board or any Person in charge and responsible for the management of Obligors' affairs, identified as a willful defaulter. Provided that in case such a Person is found to be on the board of the Obligors or as a Person in charge and responsible for the management of the affairs of the Obligors, the Issuer shall take expeditious and effective steps for removal of such a person from the board or from being in charge of management of such Obligor. (xi) Abandonment The Issuer shall not cease or threaten in writing to cease its business and ensure that the SPVs or HoldCos do not Abandon a Project or give notice of their intention to Abandon a Project to the Trustee or any other person. (xii) Project Documents The Issuer shall not make and shall ensure that the SPVs do not make any changes or amendments in the Project Documents including the Concession Agreements which has a Material Adverse Effect. (xiii) General Nature of Business; Unrelated activity The Issuer shall not change the general nature of its business in violation of the SEBI InvIT Regulations. The Issuer shall not undertake any unrelated activity that is

Sr. No.	Term	Description
		detrimental to interests of the Secured Parties. (xiv) Issuer Loans The Issuer shall not declare an event of default (howsoever described or defined) under the SPV Financing Documents against the Relevant SPVs or the Relevant HoldCos or initiate or take any action towards any voluntary winding up, liquidation, bankruptcy, insolvency or dissolution proceeding of any nature whatsoever other than after the expiry of respective concession period under the relevant Concession Agreement in respect of SPVs and/or HoldCos), under Applicable Law including IBC until the Final Settlement Date against the Relevant SPVs or the Relevant HoldCos. (xv) Amendment to the Debt Security Trust Deed The Issuer shall not amend, waive, or modify any provision of the Deed or any of the other Financing Documents (other than SPV Financing Documents) without the consent of the Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)) or prescribed under Applicable Law. (xvi) Corrupt Practices The Issuer shall not engage in any corrupt, fraudulent, coercive, collusive or obstructive practice in connection with its Operations or any transaction contemplated by the Financing Documents. (xvii) Change Investment Manager, Project Manager and / or the Trustee The Issuer shall not make any changes in the Investment Manager, Project Manager and / or the Trustee except in the manner expressly permitted in the Debt Security Trust Deed.
98.	General Covenants	(i) Stamp Duty, Taxes, Fees and Expenses (1) The Issuer shall pay, in respect of the Debt Securities, all stamp duty, Taxes, charges (including registration charges) and penalties, as required to be paid under Applicable Law. (2) The Issuer shall pay all fees, expenses and other charges agreed to by it under the terms of the Financing Documents (other than the SPV Financing Documents) including portfolio supervision fees as agreed with the Holders, the fees and costs payable to the consultants or experts as may have been appointed/ retained by or for the Trustee from time to time in accordance with the terms of this Key Information Document or the Debt Security Trust Deed. The Trustee shall have right to recover any such pending fees and expenses from the Escrow Accounts in the event the fees or expenses remain outstanding beyond their respective Due Dates. (3) The Issuer shall, no later than each applicable Due Date, provide a confirmation that all fees due and payable under the Financing Documents (other than the SPV Financing Documents) on such Due Date

Sr. No.	Term	Description
		have been paid, along with any other evidence of such payment as may be required by the Holders. (ii) Filings or Approvals The Issuer shall at all times make all filings, submit all documentation, obtain all registrations and complete all formalities as may be required in connection with the Debt Securities and Financing Documents with all relevant regulatory authorities, including but not limited to with the ROC, SEBI or other analogous bodies. (iii) Compliance with Applicable Law So long as the Debt Securities remain unpaid, the Issuer agrees and undertakes to comply with Applicable Law in all material respects.. (iv) Clearances The Issuer will obtain and maintain all material Clearances that are required to carry out its business activities pursuant to the Applicable Laws from time to time and ensure that any such Clearances are renewed sufficiently in advance of any expiry date (if applicable). (v) Insurance The Issuer shall ensure that the Obligors shall insure and maintain coverages for the business and assets of the Obligors in accordance with Prudent Industry Practice. The Issuer shall ensure that the Obligors shall ensure that all Insurance Contracts are in full force and effect till the Final Settlement Date, and shall comply with the provisions of the Insurance Contracts, and shall provide confirmation to the Trustee for all necessary insurance in relation to their respective Projects to the extent as required for compliance under respective Concession Agreement. (vi) Environmental Compliance The Issuer and the Identified Project SPV shall comply in all respects with all Environmental Law, obtain and maintain, in all material respects, all Environmental Permits and take all reasonable steps in anticipation of known or expected future changes to or obligations under Environmental Law or any Environmental Permits. (vii) FATCA The Issuer shall ensure compliance with the provisions of the FATCA, if applicable, at all times until the Debt Securities Outstandings have been repaid. The Issuer shall provide the respective authorities any documentation or information requested relating to itself, any beneficiary or related tax entity to the extent required by the Trustee or Holders for meeting their compliances. The Issuer shall indemnify the Trustee and the Holders for any penal consequence arising due to non-compliance of the aforesaid provision by the Issuer. The Issuer shall provide a copy of the documents provided to the relevant tax authorities to the Trustee for its records. (viii) The Issuer shall notify the Trustee of any (i) change in Control of the Issuer immediately upon becoming aware about the same; and (ii) change in its name, prior to such change being effected. (ix) Sanctions and Anti-Corruption

Sr. No.	Term	Description
		The Issuer undertakes that the Obligors are committed to complying (x) with all Applicable Sanctions and Anti-Corruption Law and regulations to which the Holders are subject, and (y) that no Obligor or its Associated Persons which it Controls will take any action that might cause the Holders or the Obligors to violate either the Applicable Sanctions and Anti-Corruption Law and regulations. The Issuer also undertakes and confirms that no Obligor or its Associated Persons which is Controls will authorize, offer, give or agree to offer or give, directly or indirectly, any payment, gift or other advantage with respect to any activities undertaken relating to the Debt Securities or the Financing Documents which (i) is intended to, or does, influence any person to act or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept; (ii) is made to or for the benefit of a Public Official, with the intention of influencing any act or decision of the Public Official in his/its official capacity, inducing such Public Official to use his/its influence to affect any act or decision of a Government entity, or securing an improper advantage; or (iii) would otherwise violate Applicable Sanctions and Anti-Corruption Law. The Issuer shall ensure that the Obligors at all times maintain adequate procedures designed to comply with their respective obligations under this sub-clause (ix). (x) Upon termination of any Concession Agreement, the Issuer shall obtain a revised credit rating from any one of CRISIL, CARE, ICRA or India Ratings or shall obtain a confirmation from any of the aforementioned credit rating agencies that there is no impact on credit rating of the Issuer due to such termination. **(xi) Provision in relation** to **Non-Recourse Hold Cos and Non-Recourse SPVs** Notwithstanding anything to the contrary contained under this Key Information Document, the Debt Security Trust Deed or any other Financing Document, references to the terms 'Obligors', 'SPVs', 'Project SPVs', 'Other SPVs' and 'HoldCo' in the Financing Documents shall not be construed to include Non-Recourse Hold Cos and Non-Recourse SPVs, save for with respect to and to the extent set out in the Debt Security Trust Deed. Without prejudice to the aforementioned, it is specifically clarified that: (a) no Security Interest shall be required to be created over the shares or other securities of the Non-Recourse HoldCos or the Non-Recourse SPVs held by the Issuer/ the Non Recourse HoldCo or debt of the Non-Recourse SPV and Non-Recourse HoldCo or the assets of the Non-Recourse HoldCos and Non-Recourse SPVs (including any concessions held by such entity), and (b) no Event of Default shall occur in the event such event relates to a Non-Recourse SPV or a Non-Recourse HoldCo save for a breach of provisions which are specifically identified to be applicable to a Non-Recourse SPV or a Non-Recourse HoldCo (as specified in the foregoing). (xii) The Issuer shall repay/prepay the Existing Senior Creditors of the New Project SPVs and Other SPVs no later than the date on which the following conditions are met: (a) 180 (one hundred and eighty) days from the date of acquisition of the New Project SPV and Other SPVs by the Issuer; and (b) the date of drawdown of external debt by Issuer which is proposed to be used by the Issuer for infusion into such New Project SPV or the Other SPV for repayment of the Existing Senior Creditors of such

Sr. No.	Term	Description
		New Project SPV or the Other SPV has taken place (the "**Refinance Period**"). For the avoidance of doubt it is clarified that, in respect of each New Project SPV and the Other SPV, the aforementioned timeline shall be tracked from the respective date of drawdown of external debt by Issuer which is proposed to be used by the Issuer for infusion in such New Project SPV or the Other SPV for repayment of the Existing Senior Creditors of such New Project SPV or the Other SPV. Provided, however, that the obligation set out in this sub-section shall not be applicable in case of Non-Recourse SPVs or Non-Recourse HoldCo, provided the aggregate Financial Indebtedness availed by all such Non-Recourse SPV and Non-Recourse HoldCo with external senior secured financing beyond the Refinance Period does not exceed 5% (five percent) of the Outstanding External Debt. For avoidance of doubt, it is clarified (i) debt of Non-Recourse SPV or Non-Recourse Holdco within the Refinance Period shall not be considered for calculating the 5% (five percent) threshold set out in limb (a) of the definition of Permitted Other Obligor Indebtedness; and (ii) GRICL shall not be required to be refinanced within the Refinance Period.
99.	**Information Covenants**	The Issuer shall provide to the Trustee, in form and substance reasonably satisfactory to the Trustee each of the following items: (i) Promptly and in no event later than 7 (seven) Business Days unless otherwise agreed between the Parties: (1) from the date of occurrence of an event or circumstances that may result in a Material Adverse Effect (including any circumstances and conditions (including any material loss or Legal Proceedings, arbitration or administrative proceedings) in relation to a cumulative amount for the Financial Year greater than 1% (one percent) of Outstanding External Debt of the Issuer or an amount greater than Rs. 2,00,00,000 (Rupees Two Crores only) for each SPV); (2) notice of the occurrence of any event which constitutes a Potential Event of Default or an Event of Default specifying the nature of such Potential Event of Default or Event of Default and details of any steps taken to remedy such default; (3) notify the Trustee of any revision or downgrade in any Credit Rating; (4) notify the Trustee of all orders, directions, and notices of court/tribunal affecting the Secured Assets; and (5) any obligation under any Finance Document is repudiated or ceases to be in full force and effect; (ii) Promptly and in no event later than 10 (ten) Business Days and detailed impact to be submitted within 30 (thirty) days unless otherwise agreed between the Parties, provide notice of any material litigation, arbitration, investigation, administrative or other proceeding (including without limitation any orders, direction notices of any judicial or any other tribunal) affecting the Obligors or their property or operations, which, if adversely

Sr. No.	Term	Description
		determined, may have a material and adverse impact on (A.i) the businesses, operations or financial condition, properties, assets or prospects of any of the Obligors or (A.ii) on the ability of any of the Obligors to perform or comply with its obligations under the Financing Documents or (A.iii) the ability of the Obligors to discharge their obligations upon exercise or enforcement of any right, benefit, privilege or remedy under any Financing Document (other than the SPV Financing Documents) by the Holder(s) or the Trustee; or (B) disputes the legality, validity, enforceability or effectiveness of any Financing Documents (other than the SPV Financing Documents) (or any of the rights and remedies of the Secured Parties thereunder) and of any Security created pursuant to any Security Documents; (iii) Promptly and in no event later than 7 (seven) Business Days, provide to the Trustee such further information regarding the financial condition, business and Operations of the Issuer as the Trustee may reasonably request in respect of the Debt Securities. (iv) The Issuer shall deliver to the Trustee, for each Financial Quarter: (1) In each Financial Year, within 60 (sixty) days after the end of the first, second and third Financial Quarter and within 90 (ninety) days after the end of the fourth Financial Quarter: (A) a certificate regarding maintenance of the Security Cover, from the Auditor (to the extent required to be provided by the Auditor as per the SEBI Debenture Trustee Master Circular) and from the Auditor or an independent chartered account (in other cases); and (B) copies of the Issuer's complete financial statements for such Financial Quarter prepared, on both a Consolidated Basis and an unconsolidated basis, in accordance with the Indian Accounting Standards; and on a basis consistent with the Issuer's audited financial statements, in each case, certified by the Issuer's Authorised Officer; (2) until complete utilization of the Issue Proceeds, withing 60 (sixty) days of the end of each Financial Quarter, a certificate from an independent chartered accountant certifying the actual utilization of the Issue Proceeds; (3) within 60 (sixty) days from end of each Financial Quarter, operational and financial information and report, of the Issuer, the SPVs and HoldCo, in a format agreed with the Trustee. (v)Disclose the half-yearly financial statements and deliver copies to the Trustee within the timelines provided below or

Sr. No.	Term	Description
		earlier if required under Applicable Law: (1) For the first half year - within 60 (sixty) days from the end of that half year; and (2) For the second half year - within 60 (sixty) days from the end of the relevant Financial Year. (vi) The Issuer shall deliver to the Trustee, annual audited financial accounts for the Financial Year, (on both a Consolidated Basis and an unconsolidated standalone basis) as and when issued but no later than 120 (one hundred and twenty) days from end of each Financial Year or as required in SEBI Guidelines from time to time. (vii) Promptly and in no event later than 2 (two) weeks from the date of request by the Holders or the Trustee, furnish the financial statements of the Obligors; and all such other information required by the Holders or the Trustee for the effective discharge of its duties and obligation under the Debt Security Trust Deed and Applicable Law. (viii) Notify the Trustee in writing within 30 (thirty) Business Days, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Financing Documents (other than SPV Financing Documents) to become untrue or inaccurate or misleading in any respect; (ix) Notify the Trustee in writing within 30 (thirty) Business Days, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Project Documents to become untrue or inaccurate or misleading in any respect. (x)Inform the Trustee within 15 (fifteen) days of any change in the Auditor of the Issuer. (xi) Notify the Trustee, promptly upon receipt of a notice of payment default from any of the financial creditor (as defined in the IBC) of any Obligor, or if an application is filed by any Obligor or any 'financial creditor' (as defined in the IBC) or an 'operational creditor' (as defined in the IBC) before the relevant authority under the IBC or admission of any insolvency proceeding filed against any Obligor. (xii) A confirmation on compliance with SEBI InvIT Regulations on a quarterly basis and within 10 (ten) days of receipt of request from the Trustee. (xiii) Report any loss or damage or sale/ disposal of assets which the Issuer has suffered (beyond a cumulative amount for the Financial Year equivalent of 1% (one percent) of the Outstanding External Debt of the Issuer as on the date of the Force Majeure events and if for an SPV then (beyond an amount of Rs. 20,00,00,000 (Rupees Twenty Crores only) for each SPV), within 7 (seven) Business Days of such loss or damage. (xiv) The Issuer agrees and undertakes that information regarding the unhedged foreign currency exposure of the Issuer will be provided within 60 (sixty) days from end of each Financial Quarter. (xv) The Issuer undertakes to provide all relevant

<table>
<tr><th>Sr. No.</th><th>Term</th><th>Description</th></tr>
<tr><td></td><td></td><td>documents and information, as applicable, to enable the Trustee to conduct continuous and periodic due diligence and monitoring of the Security created and the following reports/ certification, as applicable, within the timelines set out below or such other timeline as required under the Applicable Law:

<table>
<tr><th>Reports / Certificates</th><th>Timelines for submission Requirements to Trustee</th><th>Timeline for submission of reports/ certifications by Trustee to Stock Exchange</th></tr>
<tr><td>Security Cover certificate (in the format as specified in the Master Circular for Debenture Trustees)
A statement of value of Pledged Securities
A statement of value for Debt Service Reserve Sub-Account or any other form of security offered</td><td>Quarterly basis within such timelines as prescribed under Applicable Law</td><td>Quarterly basis within 75 (seventy five) days from end of each Financial Quarter except last Financial Quarter of Financial Year when submission is to be made within 90 (ninety) days or within such timelines as prescribed under Applicable Law.</td></tr>
<tr><td>Valuation Report and title search report for the immovable/movable assets, as applicable</td><td>Once in every three years within such timelines as prescribed under Applicable Law.</td><td>Once in three years within 75 (seventy five) days from end of the financial year or within such timelines as prescribed under Applicable Law.</td></tr>
</table>

(xvi) The Issuer undertakes to provide, on a timely basis, all information and documents reasonably requested by the Trustee to undertake credit assessment of the Issuer, including (without limitation) its latest financial information, any rating letter and the relevant rating rationale issued by any Rating Agency in respect of the Issuer or the Debt Securities and the Issuer's latest profile.

(xvii) The Issuer shall, no later than 45 (forty five) days from occurrence of the relevant event, inform the Trustee of a Project Document ceasing to be in full force and effect or being terminated.

(xviii) The Issuer shall provide an ROC search report of the New Project SPVs by an independent chartered accountant/ company secretary within 90 (ninety) days from the Deemed Date</td></tr>
</table>

Sr. No.	Term	Description
		of Allotment. (xix) The Issuer shall provide the certificate of income tax under Section 281 of the Income Tax Act, Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act, in relation to the Security created by it upon receipt of the same from the tax authorities within the timelines provided in [Part B (*Conditions Subsequent*) of Schedule VI (*Conditions Precedent and Conditions Subsequent*) of the Debt Security Trust Deed.] (xx) The Issuer shall provide Valuation Report of the InvIT as per guidelines under Applicable Law. (xxi) In the event of a proposal to incur Permitted Indebtedness on or after the date of the Debt Security Trust Deed, the Issuer shall intimate the Trustee, at least 15 (fifteen) days prior to availing such debt, about the debt-sizing, tenor, security package and Financial Covenants. (xxii) In the event, the Issuer acquires any project which has not achieved PCOD or COD as date of its acquisition, the Trustee (acting on instructing of Majority Holders) shall have the right to appoint a lenders' independent engineer and the report from such consultant shall be obtained on a quarterly basis. (xxiii) The Issuer shall disclose the annual performance towards the achievement of the SPTs by publishing the Sustainability Compliance Certificate on the website of the Issuer, in a form specified in the Schedule XVI (*Form of Sustainability Compliance Certificate*) of the Debt Security Trust Deed; (xxiv) The Issuer shall disclose the sustainability strategy of the Issuer by publishing the sustainability report or publishing on the website; (xxv) The Issuer shall provide the Verification Report together with the Sustainability Compliance Certificate on the SPT Verification Dates; (xxvi) The Issuer shall supply to the Trustee, promptly upon request, any additional information which the Trustee may reasonably request to: (A) determine and confirm if any SPT has been met; or (B) otherwise determine the Issuer's compliance with its obligations under any sustainability provision. (xxvii) The Issuer shall notify the Trustee of any sustainability breach on the SPT Verifications Dates (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence. (xxviii) The Issuer shall promptly notify the Trustee: (A) upon becoming aware that an External Reviewer has threatened to terminate its appointment, or that an External Reviewer's appointment has been terminated; and

Sr. No.	Term	Description
		(B) of the appointment of any successor External Reviewer. (xxix) The Issuer and the Trustee acknowledge and agree that the Trustee may rely, without independent verification, upon the accuracy, adequacy and completeness of the sustainability information, and that the Trustee does not: (A) assumes any responsibility or has any liability for the sustainability information; or (B) has an obligation to conduct any appraisal of any sustainability information
100.	**Restricted Payment Conditions**	Shall mean the following conditions which are to be complied with prior to declaration or payment of any Restricted Payment: (a) all or part of the Debt Securities Amount, all Coupon, Debt Securities Outstandings and all other amounts that have become due and payable to the Holders under the Debt Security Trust Deedas on the date of declaration or payment of any Restricted Payment, have been paid including any mandatory redemption to be made, have been made as per the provisions of the Financing Documents); (b) at the time of and after giving effect to such Restricted Payment, no Event of Default shall have occurred, and be continuing or would result therefrom; (c) the required DSR, MMR and all other reserves required to be created and maintained as per the terms of the Debt Security Trust Deed and the Escrow Agreement have been created and maintained in full and if utilized at any time, the DSR, MMR or such other reserve has been replenished in full); (d) such Restricted Payment is permitted under and is made in accordance with Applicable Law; (e) the credit rating of the Issuer/Debt Securities has not fallen to AA- or lower by any Rating Agency; (f) DSCR, as certified by a practicing chartered accountant, for the trailing 12 (twelve) months is equal to or more than 1.25:1; and (g) Consolidated Net Debt is less than the aggregate of (i) 55% (fifty five percent) of the Enterprise Value for Toll Based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value for the Annuity Based SPVs/ Hybrid Annuity Based SPVs (or any lower thresholds prescribed as per SEBI Guidelines); and (h) the authorised officer (Investment Manager) of the Issuer certifies compliance of the conditions set out in sub-clauses (a) to (g) above to the Trustee.
101.	**Permitted Investments**	Shall mean: (a) investments in liquid mutual fund debt schemes with a minimum rating of AAA (or any equivalent short term rating or equivalent rating in international markets) / A1+ or an equivalent rating by any Rating Agency or fixed

Sr. No.	Term	Description
		deposits with any scheduled commercial bank rated AA+ or above by any Rating Agency or any other investments as permitted by the Trustee (b) treasury bills or debt instruments issued by the Government of India or fully backed by Government of India guarantee;
102.	**Material Adverse Effect**	shall mean any event or circumstance, occurrence, or condition (including any change in Applicable Law), which, as of any date of such determination in the sole opinion of the Trustee (acting on the instructions of Majority Holders or as per Clause 1.2.29 (if applicable) of the Debt Security Trust Deed and as mentioned below in this Key Information Document), has caused or is reasonably (in the sole opinion of the Trustee (acting on the instructions of the Majority Holders or as per Clause 1.2.29 (if applicable) of the Debt Security Trust Deed and as mentioned below in this Key Information Document)) expected to cause a material adverse effect in respect of one or more of the following: (a) the ability of any of the Obligors to perform or comply with its obligations under the Financing Documents; or (b) the businesses, operations or financial condition of any of the Obligors; or (c) the legality, validity, enforceability or effectiveness of any Issuer Financing Documents (or any of the rights and remedies of the Secured Parties thereunder) and of any Security created pursuant to any Security Documents; or (d) the ability of the Obligors to discharge their obligations upon exercise or enforce any right, benefit, privilege or remedy under any Issuer Financing Document by the Secured Parties; *provided that* Material Adverse Effect shall occur only if the events, circumstances and/or conditions described above occur with respect to: **(a)** a Relevant SPV or Relevant HoldCo which individually contributes to more than 10% (ten percent) of the Enterprise Value of the Issuer (calculated by taking into account the Relevant SPVs and the Relevant HoldCos) or when aggregated with occurrence of events/circumstances and/or conditions described in any of the limbs of (a) to (d) above other Relevant SPVs and Relevant HoldCos (past or present), at any time from the date of the Debt Security Trust Deed until the Final Settlement Date, contribute to more than 10% (ten percent) of the Enterprise Value of the Issuer (calculated by taking into account the Relevant SPVs and the Relevant HoldCos, and the value will based on the last date on which the Valuation Report is submitted in accordance with [Paragraph (a) (i) (13) of Schedule II] of the Debt Security Trust Deed;) **(b)** an SPV or Holdco not being a Relevant SPV and Relevant HoldCo, if the lenders of such SPV or HoldCo declare an event of default in relation to any Financial Indebtedness availed by such SPV or HoldCo under their relevant financing documents. It is further clarified that the aforesaid thresholds shall not apply to the Issuer. In the event, the Creditors of the Issuer have carried out necessary amendments in their respective financing documents to the effect that the threshold for any determination of 'material adverse effect' in

Sr. No.	Term	Description
		their respective financing documents shall be with consent of Majority Creditors, the threshold for the determination of occurrence of Material Adverse Effect under the Debt Security Trust Deed shall stand amended from determination by the Trustee acting on instructions of Majority Holders to determination by Majority Creditors.
103.	**Consequences of an Event of Default**	Upon the occurrence of Event of Default, the Trustee shall acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed) be entitled (but not obligated) to take one or more of the following actions: 1. declare all the Debt Securities Outstandings (including Make Whole Amount and Unwinding Cost) be payable on demand, whereupon it shall immediately become payable on demand by the Trustee/Holders; 2. sue for creditors process or declare that the Security created in favour of the Trustee or the Common Security Trustee is enforceable, and the Trustee or the Common Security Trustee, as applicable shall have the right to: (a) enforce the Security created on the Secured Assets under the Security Documents and sell, call in, collect, convert into money or otherwise deal with or dispose of the Secured Assets or any part thereof on an instalment basis or otherwise and generally in such manner and upon such terms whatever as the Trustee or the Common Security Trustee may consider fit towards repayment or redemption of the Debt Securities Outstandings; (b) to enter upon and take possession of the assets of the Obligors comprised within the Secured Assets; (c) exercise any and all powers which a receiver is entitled to exercise under the Security Documents or exercise any other remedies under Applicable Law; (d) exercise any and all rights or powers or take any steps or actions that it deems appropriate pursuant to or in connection with Applicable Law, the Debt Security Trust Deed, the Security Documents and any other Financing Document; and (e) require the Issuer to immediately provide any information with regard to the Secured Assets; 3. cancel or suspend any undrawn amounts; 4. instruct the Common Security Trustee to enforce the pledge over Pledged Securities or any other Security created in favour of the Common Security Trustee; 5. exercise its right under the Deed of Hypothecation, through the Common Security Trustee, to step into any Issuer Loans and require the applicable Project SPV to repay the relevant outstanding due amounts under such Issuer Loan within a period of 15 (fifteen) days from the date of such step-in, failing which the Common Security Trustee may accelerate the relevant portion of the said Issuer Loan and/or exercise all rights and remedies under the Project Documents of that Project SPV (including the right to assign such Issuer Loans to a nominee of the Secured Parties); 6. exercise one or more rights available under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the IBC and any other Applicable Law; 7. utilise any amounts (including Permitted Investments) lying in the Escrow Account and SPV Escrow Accounts to discharge the Debt Securities Outstandings and such other liabilities of the Issuer as the Trustee may decide; 8. instruct the Escrow Bank to exercise its right to require the Project SPVs to transfer funds available to the Project SPVs to the Escrow Account; 9. encash any and all instruments which are in the favour of or in the custody of the Trustee, as per the terms of the relevant Issuer Financing Documents; 10. disclose the name and details of the Issuer and/or the Obligors

Sr. No.	Term	Description
		to CIBIL/CIC or RBI or Information Utilities or any other party so authorized by RBI; 11. publish the name of the Issuer and the other Obligors and their directors as defaulter through print and electronic media or in any other form and manner as the Trustee may deem fit, at their absolute discretion and also inform other lenders of the Issuer and/or other Obligors of such default, at all times in accordance with Applicable Law; 12. initiate recovery proceeding against the defaulting Obligors including exercising all rights available to the Holders and/ or the Trustee under Applicable Law to recover the Debt Securities Outstandings; 13. appoint any independent, concurrent auditors or consultants for the review of the Projects, as the Trustee may deem fit, expenses for which shall be borne by the Issuer; 14. appoint a nominee director on the board of directors of the Investment Manager ("Nominee Director") on behalf of the Secured Parties in accordance with Applicable Laws, who shall not be liable to retire by rotation nor required to hold any qualification shares. The Investment Manager shall appoint the Nominee Director forthwith on receiving a nomination notice from the Trustee. 15. exercise and enforce all rights and remedies available to the Trustee under the Debt Security Trust Deed and/or the other Financing Documents, Project Documents and Clearances and under the Applicable Laws including, without limitation, to initiate recovery proceedings or insolvency proceedings under IBC or SEBI InvIT Regulations or Companies Act before the relevant National Company Law Tribunal or any other forum in respect of the Obligors, and to initiate such action in accordance with the Prudential Framework for Resolution of Stressed Assets (if applicable). 16. exercise any other right that the Trustee and / or Holder(s) may have under the Financing Documents or Project Documents or Clearances or under Applicable Law; 17. The Trustee (acting in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)) for enforcement of the Security, shall inform the Stock Exchange seeking release of the Recovery Expense Fund. The Trustee shall follow the procedure set out in the Master Circular for Debenture Trustees for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of the Security; 18. All expenses over and above those met from the Recovery Expense Fund, incurred by the Trustee in connection with: (a) preservation of the Secured Assets; and (b) collection of amounts due under the Debt Security Trust Deed, shall be payable by the Issuer; 19. exercise and enforce all rights and remedies available to the Issuer under or in respect of the Issuer Loans against the borrower of such Issuer Loans (including the right to assign such Issuer Loans to a nominee of the Trustee or any of the Holders, utilise any amounts in the SPV Escrow Accounts to service and redeem the Debt Securities in accordance with Applicable Law and exercise the rights of the Escrow Bank to instruct the SPV Escrow Bank to transfer funds available in the SPV Escrow Accounts to the Escrow Account).

Sr. No.	Term	Description
104.	**Representations & Warranties**	Subject to disclosures made (in writing) as on the date hereof and disclosures provided in the Offer Document, the representations and warranties made by the Issuer (on behalf of itself and the other Obligors) to the Trustee below are made as of the date hereof and on each day until the Final Settlement Date, in each case by reference to the facts and circumstances then existing, except that: (i) the representations and warranties made by the Issuer (on behalf of itself and the other Obligors) to the Trustee in clause (p) below, is made as on each date of utilisation by reference to the facts and circumstances then existing; (ii) the representations and warranties made by the Issuer (on behalf of itself and the other Obligors) to the Trustee in clauses (b)(ii), (e)(B), (m)(i), (n), (o)(iii), (r), (s), below, are made as of the date hereof and as of the Deemed Date of Allotment, each Due Date including, each Coupon Payment Date and each Redemption Date, in each case by reference to the facts and circumstances then existing; (iii) the representations and warranties made by the Issuer (on behalf of itself and the other Obligors) to the Trustee in sub-clause (d) below, is made as on the date of the Debt Security Trust Deed, by reference to the facts and circumstances then existing; (iv) the representations and warranties made by the Issuer (on behalf of itself and the other Obligors) to the Trustee in sub-clause (f) below, is made as of the dates stated in sub-clause (f) below by reference to the facts and circumstances then existing. In relation to the representations and warranties made by the Issuer (on behalf of an Other SPV or HoldCo which is acquired after the Deemed Date of Allotment and the New Project SPVs), the Parties agree that the Issuer may make (in writing) additional disclosures within 12 (Twelve) months from the date of acquisition of such Other SPV or HoldCo or the New Project SPVs, as the case may be, and such disclosures shall be strictly in connection with the Other SPV or HoldCo or New Project SPVs, as the case may be. The Issuer hereby acknowledges and accepts that the Trustee has agreed to enter into the Debt Security Trust Deed and the other Financing Documents (other than the SPV Financing Documents) (and the Holders are contemplating the subscription to the Debt Securities) on the basis of, and in full reliance on the representations and warranties made and the Issuer agrees and acknowledges that it has procured that each of the SPVs and HoldCo acknowledges and accepts that the Trustee has agreed to enter into the Financing Documents (other than the SPV Financing Documents) on the basis of, and in full reliance on the representations and warranties made: (a) **Status** (i) The Issuer is duly organized and validly existing under the SEBI InvIT Regulations; (ii) Each Obligor (other than the Issuer) is a duly organised and validity existing company incorporated in India under the Act; and (iii) Each Obligor has power and authority to own its properties and assets. (b) **Non-conflict with other obligations** (i) The entry into and performance by the Obligors of, and the transactions contemplated by, the Issuer Financing Documents, do not conflict with, or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under (as applicable), any Applicable Law, the

Sr. No.	Term	Description
		Constitutional Documents or any agreement or instrument binding upon them or any of their assets , nor result in the existence of, or oblige them to create, any Security Interest over any of their Secured Assets (except Permitted Security Interest or any Security Interest otherwise permitted in the Financing Documents). (ii) The entry into and performance by the Obligors of, and the transactions contemplated by, the Transaction Documents (other than Financing Documents and SPV Financing Documents), do not conflict with, or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under (as applicable), any Applicable Law, the Constitutional Documents or any agreement or instrument binding upon them or any of their assets, nor result in the existence of, or oblige them to create, any Security Interest over any of their Secured Assets (except Permitted Security Interest or any Security Interest otherwise permitted in the Transaction Documents (other than Financing Documents and SPV Financing Documents). (c) **Power and Authority** (i) Each Obligor has the power to enter into, perform, deliver and to comply with the provisions of each of the Financing Documents to which it is a party and has taken all necessary action to authorise the entry into, delivery and performance by it of each of the Financing Documents to which it is a party and the transactions contemplated by those Financing Documents. (ii) Subject to Legal Reservations, each Obligor has the power to enter into, perform, deliver and to comply with the material provisions of Project Documents to which it is a party and has taken all necessary action to authorise the entry into, delivery and performance by it of each of the Project Documents to which it is a party and the transactions contemplated by those Project Documents. (iii) Subject to Legal Reservations, the material obligations expressed to be assumed by the Obligors in each Project Document are legal, valid, enforceable and binding and the Project Documents are admissible in evidence. (iv) The Investment Manager has necessary authority and capacity under the terms of the Investment Management Agreement and the relevant SEBI InvIT Regulations to enter into the Financing Documents on behalf of the Issuer and to undertake action on behalf of the Issuer as may be required under the Financing Documents. (d) **Capitalization** The shareholding/ unitholding pattern of the Issuer is as set out in Schedule VIII (*Shareholding/Unitholding Pattern*) of the Debt Security Trust Deed is true, correct and accurate as on the date of the Debt Security Trust Deed. The shareholding pattern of the Issuer's Subsidiaries which was provided to the Initial Holders prior to the execution of the Debt Security Trust Deed is true, correct and accurate as on the date of the Debt Security Trust Deed. (e) **Clearances; Validity and Admissibility in Evidence** All Clearances required by each of the Obligors: (A) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Financing Documents to which it is a party, save to the extent provided under the Financing Documents;

Sr. No.	Term	Description
		(B) to enable it lawfully to enter into, exercise its rights in the Project Documents to which it is a party (C) to enable it to lawfully enter into any financing documents (including the SPV Financing Documents) in respect of, and to borrow or lend (as applicable), the Issuer Loans and provide all security in relation thereto; (D) which are material to enable it to carry on and operate its business as it is being conducted from time to time; (E) to make the Financing Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and (F) to enable it to create the Security to be created by it pursuant to any Financing Document and to ensure that such Security has the priority and ranking it is expressed to have; save to the extent provided under the Financing Documents, have been obtained or effected and are in full force and effect. (f) **Deduction of Tax** It is not required to make any deduction for or on account of Tax from any payment it may make under any Financing Document (other than SPV Financing Document) on the date when it makes such payment under the Financing Documents (other than SPV Financing Documents), unless required under any Applicable Law. (g) **No filing or stamp tax** Other than as already undertaken prior to the date of the Debt Security Trust Deed and the filing of Form No. CHG-9 with the relevant registrar of companies, if applicable, in connection with the Pledge Agreements or any other Security Document, the Annexure W / Form 28 with the concerned Depository in connection with the Pledge Agreements and CERSAI filings, it is not necessary under Applicable Law that the Financing Documents be filed, recorded or enrolled with any court or other authority in India or that any stamp, registration or similar tax be paid on or in relation to the issuance of the Debt Securities or the Financing Documents or the transactions contemplated by the Financing Documents other than notaries fees paid and stamp duty payable on the Debt Securities, the Debt Security Trust Deed and the other Financing Documents in the state of execution or the state of receipt thereof. (h) **No Event of Default** No Event of Default has occurred and is continuing. (i) **Disclosure** As on the date of the Debt Security Trust Deed, the Issuer has made all necessary disclosures in the Offer Document. (j) **No Misleading Information** (i) Any information contained in, provided by or on behalf of the Obligors to the Secured Parties in connection with the Financing Documents (including under the Offer Document) was true, complete and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading is any respect. (ii) No information has been given or withheld that results in the information provided by or on behalf of the Obligors being untrue or misleading in any material respect at the date when it was made. (k) **Financial Statements** (i) The financial statements of each Obligor were prepared in accordance with Ind-AS consistently applied and are true, complete and accurate as of the period for which they are provided. (ii) The financial statements of each Obligor fairly

Sr. No.	Term	Description
		represent its financial condition and operations as at the end of and for the relevant Financial Year. (iii) As at the date of its most recent financial statements, the Obligors have not incurred any liabilities (contingent or otherwise) (whether arising under contract or otherwise and whether contingent or not) which was not disclosed by those financial statements (or by the notes thereto) or reserved against therein, nor any unrealised or anticipated losses which were not so disclosed or reserved against. (l) **Pari-Passu Ranking** (i) Each Security Document creates (or, once entered into, will create) in favour of Common Security Trustee for the benefit of the Holders, the Security which it is expressed to create and with the ranking and priority it is expressed to have. (ii) Without limiting sub-clause (i) above, its payment obligations under the Financing Documents (other than the SPV Financing Documents) rank at least *pari passu* with the claims of all its other senior unsecured and unsubordinated creditors, except for obligations mandatorily preferred by Applicable Law. (m) **Litigation** (i) Other than as set out in the Offer Document, there is no outstanding Legal Proceedings before any domestic or foreign court, tribunal or Governmental Authority, that has been initiated and/or pending or threatened (in writing) against the Obligors which (A) if adversely determined, may have a material and adverse impact on (A.i) the businesses, operations or financial condition, properties, assets or prospects of any of the Obligors or (A.ii) on the ability of any of the Obligors to perform or comply with its obligations under the Financing Documents or (A.iii) the ability of the Obligors to discharge their obligations upon exercise or enforcement of any right, benefit, privilege or remedy under any Financing Document (other than the SPV Financing Documents) by the Secured Parties; or (B) disputes the legality, validity, enforceability or effectiveness of any Financing Documents (other than the SPV Financing Documents) (or any of the rights and remedies of the Secured Parties thereunder) and of any Security created pursuant to any Security Documents. (ii) No Legal Proceedings have been initiated by any bank or financial institution against any Obligor, the Investment Manager or (unless disclosed in the Offer Document) the directors of the Investment Manager. (n) **Tax Returns and Payments** (i) Each Obligor has filed all tax returns required to be filed by it by under Applicable Law and has paid all Taxes payable by it which have become due pursuant to such Tax returns, save and except those: (A) being Contested in Good Faith; and (B) where payment can be lawfully withheld and will not result in any Security Interest ranking in priority to the claims of the Secured Parties under any Transaction Document (other than the Trust Documents) or to any Security created under any Financing Document.

Sr. No.	Term	Description
		(o) **Compliance with Law** (i) Each SPV, the Issuer and HoldCo is in compliance with all Applicable Laws in all material respects. (ii) Each of the Financing Documents are or will, when executed, be in proper legal form under the respective material governing laws for the enforcement thereof, save to the extent provided under the Financing Documents. (iii) Each of the Project Documents are or will, when executed, be in proper legal form under the respective material governing laws for the enforcement thereof. (iv) None of the Obligors, Sponsor, Investment Manager have been declared as a wilful defaulter or fugitive economic offender. (v) None of the directors of any Obligor, Sponsor, Investment Manager have been declared as a wilful defaulter or fugitive economic offender. (vi) The Obligors have not engaged in any corrupt practices in connection with their business operations. (vii) The Issuer is not debarred from accessing the securities market or otherwise ineligible to make an issue of listed debt securities pursuant to Regulation 5 of the Securities and Exchange Board of India (Non-Convertible Securities) Regulations, 2021. (p) **Use of Proceeds** The Issue Proceeds have been utilised by the Issuer towards the Purpose. (q) **Security Interest** (i) Save for the Permitted Security Interest, the Issuer has not created any Security Interest upon any of its present or future revenues or other assets forming part of the Security. (ii) Each Obligor is the sole legal and beneficial owner of the relevant Secured Assets, and no Encumbrance has been created on the Secured Assets (or any part thereof) in favour of any party (other than Permitted Security Interest). (iii) The Obligor has good and valid title to its assets and properties. (iv) Each Security Document creates (or, once executed, will create) the Security interests which it purports to create and the Security Interest expressed to be created thereby is valid and effective and the relevant Secured Assets are not subject to any prior or subsequent Security Interests (other than Permitted Security Interest). (r) **Insurance** The Obligors have obtained or caused the contractors appointed by the Obligors to obtain all necessary insurances as required under the Transaction Documents for all SPVs and such insurances are in full force and effect. To the best knowledge of the Issuer, no event or circumstances has occurred nor has there been any omission to disclose a fact, which in any such case would entitle any insurer to avoid or otherwise reduce its liability thereunder to less than the amount provided in the relevant policy and insurance coverage provided by such insurance. (s) **Material Adverse Effect** There is no Material Adverse Effect. (t) **Not an NBFC** The Issuer is not carrying or has not carried on the business that would result in it being classified as a "non-banking financial institution" and is not required to be registered as a "non-banking finance company" under the provisions of the

Sr. No.	Term	Description
		Reserve Bank of India Act, 1934, or any rules, regulations, notifications, circulars, press releases, guidelines or instructions issued by the RBI in relation to non-banking financial companies or core investment companies. (u) **Authorised Signatories** Each person specified by an Obligor as its authorised signatory in any document accepted by the Finance Parties or delivered to the Finance Parties is, authorised to sign the notices on its behalf under or in connection with the Financing Documents. (v) **No Immunity** Neither the Issuer nor the other Obligors nor any of their respective assets are entitled to immunity from suit, execution, attachment or other legal process in India. The entry into the Project Documents and the Financing Documents constitute, and the exercise of their rights and performance of and compliance with their obligations under the Project Documents and the Financing Documents, as the case may be, will constitute, private and commercial acts done and performed for private and commercial purposes. (w) **FATCA** The Issuer is in compliance with the provisions of the Foreign Account Tax Compliance Act ("**FATCA**"), if applicable. (x) **Indebtedness** The Issuer has not incurred or suffered any Financial Indebtedness other than the Permitted Indebtedness. The SPVs and the HoldCos have not incurred or suffered any Financial Indebtedness other than the Permitted Other Obligor Indebtedness. (y) **Directors** Except as disclosed in the Offer Document, at the time of initial issuance of the Debt Securities or as disclosed to the Trustee in writing from time to time, no director of the Holders or the Trustee is a manager, managing agent, employee or guarantor of the Issuer, or any Hold Co, or holds Substantial Interest in the Issuer, the SPVs, the Holding Companies or the Sponsor. (z) **Governing law and enforcement** The choice of Indian law specified in each applicable Financing Document and Project Document, as the case may be, as the governing law of that Financing Document or Project Document, as the case may be, will be recognised and enforced in India. (aa) **Environmental Compliance** (i) The Issuer and the Identified Project SPV has (A) complied in all material respects with all Environmental Law, (B) obtained and maintained, in all material respects, all Environmental Permits, and (C) taken all reasonable steps in anticipation of known or expected future changes to or obligations under Environmental Law or any Environmental Permits. (ii) No property currently occupied or owned by the Issuer and the Identified Project SPV (including any offsite waste management or disposal location operated or owned at any time by them) is contaminated with any Hazardous Substance or in a contaminated state during its period of occupation or ownership. Further, no discharge, release, leaching, migration or escape of any Hazardous Substance into the Environment has occurred or is occurring on, onto, under or from that property. (bb) **Directors** (i) The Issuer hereby declares that except as disclosed to the Trustee in writing, or as disclosed in the Offer Document: A. to the best of its knowledge, none of the

Sr. No.	Term	Description
		directors of the bank or their Relatives, is interested in any Obligor, the Sponsor, the Investment Manger as director, managing agent, manager, employee or guarantor or holder of Substantial Interest; B. to the best of its knowledge, none of the directors or Relative of a director of other banks, is interested in any Obligor or the Investment Manager as a director or guarantor or holder of Substantial Interest; and C. to the best of its knowledge, none of the director or similar ranking officer of any Obligor or the Investment Manager, is a Relative of any Specified Senior Officer of the Bank or Specified Senior Officers of the Bank or Relatives or is interested in any Obligor or the Investment Manager as a director or guarantor or holder of Substantial Interest. (ii) No Obligor, Sponsor or Investment Manager is on the RBI's/CIC's defaulters or caution list or the RBI's/CIC's wilful defaulters list or the defaulter's list of any bank and financial institution nor do their names appear in caution list issued by Export Credit and Guarantee Corporation of India Limited (ECGC), Director General of Foreign Trade etc. or the defaulters list under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA). Further, no Obligor, Sponsor or Investment Manager (as the case may be) is a defaulter with respect to any Holder, the Trustee or any other lender and no director of Obligor (other than the Issuer) is disqualified under Section 164 of the Act, as amended from time to time. (cc) **Sustainability Information** All sustainability information was true, complete and accurate in all material respects as at the date it was provided and is not misleading in any respect. (dd) **Financial Debt** Schedule XVI of the Debt Security Trust Deed sets forth all Financial Indebtedness of the Obligors on the date of the Debt Security Trust Deed, and no event of default (howsoever defined or described) has been declared thereunder by any of its lenders.

Sr. No.	Term	Description
105.	**Taxes**	1. In this clause: (a) "Tax Deduction" shall mean a deduction or withholding for or on account of Tax from a payment under a Financing Document (other than the SPV Financing Documents). "Tax Payment" shall mean an increased payment made by the Issuer to the Holders under paragraph 2 (Tax gross-up) or a payment under Clause paragraph 3 (Tax Indemnity) below. (b) Unless a contrary indication appears, in this clause (*Taxes*) a reference to "determines" or "determined" shall mean a determination made in the absolute discretion of the person making the determination. 2. Tax gross-up All payments to be made by the Issuer to the Finance Parties under the Financing Documents (other than the SPV Financing Documents) (including any fees payable) shall be made free and clear of and without any Tax Deduction unless the Issuer is required to make a Tax Deduction under any Applicable Laws, in which case the sum payable by the Issuer (in respect of which such Tax Deduction is required to be made) to such Finance Party shall be increased to the extent necessary to ensure that such Finance Party receives a sum net of any deduction or withholding equal to the sum which it would have received had no such Tax Deduction been made or required to be made, except if the Tax Deduction was made in respect of any Taxes calculated with reference to the income received by such Finance Party. For the avoidance of doubt, it is clarified that a Tax Deduction shall not be made in respect of a payment to be made to a Finance Party if a tax exemption certificate or document in respect of that Finance Party has been sent to the registered office of the Issuer prior to the Record Date in respect of the relevant Due Date. The Issuer shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Finance Parties accordingly. Similarly, the Finance Parties shall notify the Issuer on becoming so aware in respect of a payment payable to the Finance Parties . If the Issuer is required to make a Tax Deduction, the Issuer shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required under Applicable Law. Within 30 (thirty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or within timeline as set out under Applicable Law, the Issuer shall deliver to the Finance Parties evidence reasonably satisfactory to the Finance Parties that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant Tax authority.

106.	**Mandatory Redemption**	(i)The Issuer shall immediately use all Cash Surplus on the date on which the Valuation Report was last submitted in accordance with Paragraph (a) (i) (13) of Schedule II of the Debt Security Trust Deed available with the Issuer to mandatorily redeem the Debt Securities if the Consolidated Net Debt exceeds the aggregate of (i) 55% (fifty five percent) of the Enterprise Value of the Toll Based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value of the Annuity Based SPV /Hybrid Annuity Based SPVs or any lower thresholds prescribed as per SEBI Guidelines, unless the same is rectified to the satisfaction of the Holders. Such mandatory prepayment shall be made pro rata between the Holders, the lenders/holders of the Original Debt and the Additional Lenders, if required under the terms of their respective financing documents. (ii) The Issuer shall ensure that any Mandatory Prepayment Proceeds received by any Relevant SPV are deposited in the Escrow Account and on upstreaming of such proceeds, the Issuer shall subject to the below, use such proceeds to mandatorily redeem the Debt Securities. Such mandatory prepayment/ redemption shall be made pro rata between the Holders, the lenders/holders of the Original Debt and the Additional Lenders if such prepayment is required to be made under the terms of their respective financing documents. Provided that in respect of the proceeds mentioned in limb (e) of the definition of the Mandatory Prepayment Proceeds such proceeds shall be proportionately applied to mandatorily redeem the Debt Securities, and to mandatorily redeem/prepay the holders/lenders of Original Debt, the Additional Lenders, if such prepayment is required to be made under the terms of their respective financing documents and pay the Unitholders (value of the Units would be calculated as per last published NAV of the Issuer). (iii) The Issuer agrees that immediately on cessation of business by any of the material Relevant SPVs (constituting 10% (ten percent) of the Enterprise Value of the Issuer as on the last valuation date) any amounts received by such Relevant SPV/ Issuer from such cessation shall be utilized to mandatorily redeem the Debt Securities upon the Trustee instructing the Issuer to mandatorily redeem the Debt Securities. Such mandatory prepayment shall be made pro rata between the Holders, the holders/lenders of the Original Debt and the Additional Lenders, if such prepayment is required under the terms of their respective financing documents. (iv) The Issuer agrees that if the credit rating of the Issuer falls below AA- by any Indian Rating Agency, it shall immediately use all surplus cash available with the Issuer to mandatorily prepay the Debt Securities. Such mandatory prepayment shall be made pro rata between the holders of Debt Securities, the holders/lenders of the Original Debt and the Additional Lenders, if required under the terms of their respective financing documents. (v) The Issuer agrees that if the credit rating of the Issuer falls below AAA by any Rating Agency resulting in non- compliance with SEBI InvIT Regulations, it shall immediately use all surplus cash available with the Issuer to mandatorily redeem the Debt Securities to the extent required for compliance with the SEBI InvIT Regulations. Such mandatory prepayment shall be made pro rata between the Holders, the holders/lenders of the Original Debt and the Additional Lenders, if such prepayment is required to be made under the terms of their respective financing documents. (vi) On the occurrence of any event pursuant to which Mandatory Prepayment Proceeds can potentially be received or any event mentioned in sub-clauses (i) to (v) hereinabove, the Issuer shall provide intimation of the same to the Trustee within 10(ten) Business Days of receipt of Mandatory Prepayment Proceeds by the Obligor, or the occurrence of the event, as the case may be and the Issuer shall prepay, within 30 (thirty) days from the receipt of the Mandatory Prepayment Proceeds by any Obligor or occurrence of the event, as the case may be , and credit to the relevant account of each applicable Holder in immediately

Sr. No.	Term	Description
		available funds an amount in Rupees that is equal to the Early Redemption Amount for the Debt Securities which are to be redeemed together with accrued interest, including the Make Whole Amount (if any), and Unwinding Costs notified by each Holder to the Trustee. For any partial redemption of Mandatory Prepayment Proceeds, amounts will be applied pro rata to the remaining Redemption Amounts. (vii) Any amount prepaid shall not be re-borrowed.
107.	**Unwinding Costs**	If a Holder incurs any cost, expense or loss as a result of: (a) the Issuer failing to issue any Debt Securities on the Deemed Date of Allotment; (b) the Issuer's failure to obtain the ISIN for the Debt Securities; (c) the Issuer failing to redeem the Debt Securities pursuant to issuance by the Issuer to the Trustee of a notice of redemption under Clause 8 (b) (Voluntary Redemption) of Schedule I (Terms and Conditions of the Debt Securities) of the Debt Security Trust Deed; (d) redemption of the Debt Securities other than on the relevant Due Date; (e) modifications of the Redemption Dates of the Debt Securities whether at the request of the Issuer or pursuant to any rescheduling or restructuring of the Debt Securities, then the Issuer shall immediately pay to such Holder, promptly on demand in writing, an amount in Rupees that is equal to the aggregate amount that such Holder notifies to the Issuer as being the amount of those costs, expenses and losses it has incurred ("**Unwinding Costs**"). For the purposes of this Clause (*Unwinding Costs*), "costs, expenses or losses" include any premium, penalty or expense incurred to liquidate or obtain third party deposits, borrowings, hedges or swaps, other hedging transactions maintained or entering into any offsetting swaps to make, maintain, fund or hedge all or any part of any Debt Security or any payment in connection with any Debt Security.

Notes:

(a) If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed.

(b) The list of documents which have been executed in connection with the issue and subscription of Debt Securities shall be annexed.

(c) While the Debentures are secured to the tune of 100% (one hundred percent) of the principal and interest amount in favour of the Trustee, it is the duty of the Trustee to monitor that the security is maintained.

3.1 KEY TERMS IN RELATION TO DEBENTURES

The covenants and conditions contained in this Schedule shall be binding on the Issuer and all persons claiming by, through or under it. The Trustee shall be entitled to enforce the obligations of the Issuer under or pursuant to the covenants as set out herein.

Affirmative Covenants

Please refer to the key terms as summarized above in Section 3 (*Issue Details*).

Information Covenants

Please refer to the key terms as summarized above in Section 3 (*Issue Details*).

Negative Covenants

Please refer to the key terms as summarized above in Section 3 (*Issue Details*).

General Covenants

Please refer to the key terms as summarized above in Section 3 (*Issue Details*).

Financial Covenants

Please refer to the key terms as summarized above in Section 3 (*Issue Details*).

Sanctions and Anti-Corruption

Please refer to the key terms as summarized above in clause "General Covenants" in Section 3 (*Issue Details*).

3.2 KEY TERMS IN RELATION TO THE TRUSTEE

(a) Trustee to the Debenture Holder(s)

The Trust has appointed Catalyst Trusteeship Limited to act as Trustee for the Debenture Holder(s) (hereinafter referred to as the "**Debenture Trustee**" / "**Trustee**"). The Trust and the Trustees have entered into a Trustee Agreement dated 27th May 2025 setting out inter alia the terms of appointment of the Trustee and a Debt Security Trust Deed to be executed specifying inter alia, the powers, authorities and obligations of the Trustee and the Trust.

(b) Appointment of Trustee:

(i) The Issuer has appointed Catalyst Trusteeship Limited as the Trustee for the benefit of the Debenture Holders, with an overall issue size of Rs. 9,00,00,00,000.00 (Rupees Nine Thousand Million only)) to be issued by the Issuer and Catalyst Trusteeship Limited has agreed to act as Trustee on behalf of and for the benefit of the Debenture Holders, strictly in accordance with the provisions of the Transaction Documents and as more particularly provided in the Debt Security Trust Deed.

(ii) Notwithstanding anything to the contrary, the Trustee shall at all times act on behalf of the Debenture Holders and for their benefit and in accordance with the Debt Security Trust Deed.

(c) Remuneration of the Trustee:

The remuneration of the Trustee shall be as per the letter provided in **Annexure 4** of this Key Information Document.

(d) Resignation of the Trustee:

The Trustee may retire at any time without assigning any reason and without being responsible for any loss or costs occasioned by such retirement; provided that the Trustee shall have given at least 90 (ninety) days' previous notice in writing to the Issuer in that behalf. The resignation of the Trustee and the appointment of any successor trustee will both become effective only upon the successor Trustee notifying all the Holders that it accepts such appointment; provided however that in the event the successor Trustee is not appointed within 90 (ninety) days after receipt of any notice of resignation by the Trustee, the Trustee shall continue to act as the trustee, until such time, as the successor trustee is appointed. The successor trustee shall be appointed with the consent of the Holders (by value) of not less than 75% (seventy five percent) of the nominal value of the Debt Securities then outstanding.

(e) Removal of the Trustee:

The Trustee hereof may be removed by a resolution / consent of Holders holding 75% (seventy five percent) of the nominal value of the Debt Securities then outstanding. The Issuer shall appoint such person or persons as may be nominated by the Holders holding 75% (seventy five percent) of the nominal value of the Debt Securities then outstanding as new Trustee.

For the purposes aforesaid, forthwith upon receipt of the notice of retirement from the Trustee for the time being hereof or on the occurrence of a vacancy in the office of the Trustee hereof, the Issuer shall convene a Meeting of the Holders. A company, body corporate or a statutory corporation, which is a financial

institution in the public sector or any other entity performing the actions of a trustee and registered with the SEBI as a debenture trustee, may be appointed to be a Trustee hereof. Whenever there shall be more than two Trustees hereof, the majority of such Trustee shall be entitled to exercise the powers, authorities and discretions hereby vested in the Trustee.

On appointment of the successor Trustee pursuant to this Clause, all references in the Key Information Document and the Debt Security Trust Deed to the Trustee shall, unless repugnant to the context thereof, mean and refer to the successor Trustee and such successor Trustee shall, without any further act or deed, succeed to all the powers and authorities of the Trustee as if it had been originally appointed as the Trustee, provided that it shall be required to provide its written consent for its appointment and/or enter into and execute such deeds with the Issuer for this purpose.

The Trustee confirms that notwithstanding anything contained in the Key Information Document or the Debt Security Trust Deed, the Trustee shall not relinquish its appointment under the Key Information Document, the Debt Security Trust Deed and the Trustee Agreement unless and until a successor Trustee has been appointed in its place in accordance with the terms of the Key Information Document and the Debt Security Trust Deed.

(f) Duties of the Trustee

(b)

(a) provide any information, which the Trustee has received in its capacity as the Trustee in relation to the Issuer (whether received from the Issuer or any other Person), to the Holders;

(b) if the occurrence of an Event of Default comes to its knowledge, the Trustee shall act in accordance with Relevant Instructions (as understood under the Debt Security Trust Deed) and shall keep a proper account of all expenses incurred out of the funds received from the Recovery Expense Fund towards legal expenses, cost for hosting meetings etc;

(c) exercise due diligence in carrying out its duties and shall take all actions whatsoever necessary to protect the interest of the Holders;

(d) exercise due diligence to ensure compliance by the Issuer with the provisions of the SEBI Guidelines and the Debt Security Trust Deed;

(e) enforce any or all the duties and obligations of the Issuer and the other Security Providers under the Issuer Financing Documents;

(f) ensure that the Offer Document does not contain any matter which is inconsistent with the terms of the Issue or with the Debt Security Trust Deed or any of the Issuer Financing Documents

(g) satisfy itself that the covenants in the Issuer Financing Documents are not prejudicial to the interest of the Holders, including to ensure that the conditions in the Common Security Trustee Agreement are not prejudicial to the interest of the Holders;

(h) obtain periodical status or performance reports from the Issuer and/ or the Security Provider, if necessary;

(i) notify the Holders in case of a default or an Event of Default, if any, with regard to payment of Coupon, the Redemption Amounts on the Debt Securities and any action taken by the Trustee;

(j) ensure that the Issuer and the other Security Provider do not commit any breach of the terms and conditions of the Debt Security Trust Deed and/ or the other Issuer Financing Documents as the case may be, and take such reasonable steps as may be necessary to remedy any such breach;

(k) inform the Holders immediately of any breach of the terms of the Issue or covenants of the Debt Security Trust Deed;

(l) ensure that the Secured Assets, to the extent applicable, are sufficient to discharge the Debt Securities Outstandings at all times and that such assets are free from any other Security Interest except Permitted Security Interest;

(m) obtain reports on the utilisation of the Issue Proceeds;

(n) take steps to convene a meeting of the Holders as and when such meeting is required to be held;

(o) ensure that the Debt Securities are redeemed in accordance with the terms of issue of the Debt Securities;

(p) do all such acts, deeds and things as may be necessary to give effect to the relevant Issuer Financing Documents and as may be required for the protection of interest of the Holders;

(q) subject to these presents, perform its duties and obligations, and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the Holders, and shall further conduct itself, and comply with the provisions of the Debenture Trustee Regulations and all other Applicable Laws;

(r) carry out all its obligations, duties and functions as the Trustee in accordance with the terms set out in the Financing Documents to which it is a party and where the same is silent or contrary to any other provision of the Financing Documents, in accordance with the Relevant Instructions (as understood under the Debt Security Trust Deed)

(s) inform the Holders of any breach of the terms of Issue of the Debt Securities or covenants or undertakings of the Debt Security Trust Deed along with all information relating to cure periods

(if any) being availed by the Issuer under the Financing Documents (other than the SPV Financing Documents) and any steps the Issuer is taking / proposes to take to remedy the breach;

(t) furnish all such information as may be furnished to the Trustee under the Issuer Financing Documents including the Escrow Agreement, to the Holders; and

(u) not do or cause to do any act, deed or thing which is prejudicial or detrimental to the interest of the Holders.

(v) shall inform SEBI immediately of any breach of the Debt Security Trust Deed or provision of any Applicable Law, which comes to its knowledge, if required under Applicable Laws;

(w) seek the status of payment from the Issuer and/or conduct independent assessment (such as from the Holders and Indian Rating Agencies) to determine if the Issuer has failed to intimate the status of payment of the Debt Securities within 1 (one) working day of the Redemption Dates. Based on such assessment, the Trustee shall intimate the Stock Exchange and the Depositories, the status of payment of the Coupon rate and the redemption of the Debt Securities, within 9 (nine) Business Days of the relevant Redemption Date or within such other revised timelines as may be prescribed under Applicable Law. Further, for continuous assessment of the status of default by the Issuer under the Debt Security Trust Deed, the Trustee shall conduct independent assessment and intimate the status of payment of the Coupon rate and the redemption of the Debt Securities, to the Stock Exchange and the Depositories, within 7 (seven) Business Days from the beginning of April of each Financial Year, if the Issuer fails to provide the updated status of payment of the Coupon rate and the redemption of the Debt Securities, by the second Business Day of the April of the relevant Financial Year.

Notwithstanding anything to the contrary in this Key Information Document or the Debt Security Trust Deed, the Trustee shall before taking any action on behalf of the Holders or providing any consent on behalf of the Holders, obtain Relevant Instructions (as understood under the Debt Security Trust Deed).

(g) Due Diligence and Terms of carrying out due diligence

(i) The Trustee shall carry out due diligence on continuous basis to ensure compliance by the Issuer, with the provisions of the Act, the LODR Regulations, the ILNCS Regulations, the SEBI Listed Debentures Circulars, the Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue as applicable.

(ii) The Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the General Information Documents / Key Information Documents / Private Placement Offer Letter and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Trustee, either through itself or its agents / advisors / consultants, shall have the power to examine the books of account of the Trust and to have the Trust's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Trustee.

(iii) The Issuer shall provide all assistance to the Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, if applicable, in relation to the Debentures or any part thereof.

(iv) Further, in the event that there are existing charge holders, the Issuer shall ensure that the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Issuer to create further charge on the assets, the Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Issuer. The Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(v) Without prejudice to the aforesaid, the Trust shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Applicable Laws.

(vi) In the instance of change / addition of security for the present issuance, Trustee shall ensure that the guidelines for due diligence which were prescribed for the primary security apply similarly to additional security in compliance with the SEBI Master Circular for Debenture Trustees dated March 31, 2023.

(vii) The due diligence certificate from the Trustee is provided in **Annexure 7** of this Key Information Document.

(h) Other Terms and Conditions

1. The Issuer shall on or prior to the date of execution of Debt Security Trust Deed, provide to the Trustee, the bank account details from which the Issuer proposes to make the payment of interest and redemption amount due to the Debenture Holders. Further, the Issuer hereby undertakes that it shall preauthorize the Trustee to seek the interest and redemption amount payment related information from such bank.

2. Issuer further confirms that all covenants proposed to be included in Debt Security Trust Deed(including any side letter, accelerated payment clause, fees charged by the Trustee) are/will be disclosed in General Information Document or Key Information Document

3. The Issuer confirms that all necessary disclosures shall be made in the General Information Document / Key Information Document, as applicable, including but not limited to statutory and other regulatory disclosures as required under Applicable Law.

4.1 Details of Debentures:

Particulars	Details
Issuer	Highways Infrastructure Trust
Face Value per Debenture (Rs.)	1,00,000
Deemed Date of Allotment	June 10, 2025
Tenor (years)	The tenor of the Debt Securities is for a period commencing from the Deemed Date of Allotment till the Final Redemption Date.
Maturity/ Redemption Date	67 structure quarterly redemptions as per schedule mentioned in "Disclosure of Interest / Dividend/ redemption dates" clause above
Coupon Rate (% p.a.)	7.40% per annum payable quarterly
Coupon Payment Frequency	Quarterly
Day Count Convention	Any payments to be made to the Holders, including payment of Coupon and Additional Interest shall be compounded and payable at quarterly rests (unless otherwise provided in the Debt Security Trust Deed) in arrears and shall accrue from day to day, and shall be computed on the basis of a 365 (three hundred and sixty-five) or 366 (three hundred and sixty-six) day year, as the case may be, and the actual number of days elapsed

4. NOTICES

Any notice served or document made or delivered by 1 (one) person to another under or in connection with this Key Information Document will only be effective:
(a) in case of delivery by hand, when hand delivered to the other party; or
(b) when sent by mail, where 5 (five) Business Days have elapsed after deposit in the mail with certified mail receipt requested postage prepaid; or
(c) when sent by electronic mail, upon no delivery failure message being received from the server of the recipient within 1 (one) Business Day.

All notices required to be given by the Debenture Holder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by mail or by hand delivery or e-mail to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

5. DISCLOSURES PERTAINING TO WILFUL DEFAULT (IF ANY)

The Issuer declares that:

a) None the issuer, its Sponsor, Investment Manager and InvIT Trustee or the Board of Directors is a wilful defaulter;

(b) none of the Investment Manager, InvIT Trustee or the Board of Directors is a wilful defaulter or is a sponsor or on the board of another entity which is a wilful defaulter

In case of listing of debt securities made on private placement, the following disclosures shall be made:

(a) Name of the bank declaring the entity as a wilful defaulter: NA

(b) The year in which the entity is declared as a wilful defaulter: NA

(c) Outstanding amount when the entity is declared as a wilful defaulter: NA

(d) Name of the entity declared as a wilful defaulter: NA

(e) Steps taken, if any, for the removal of the director of the Investment Manager from the list of wilful defaulters: NA

(f) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NA

(g) Any other disclosure as specified by the Board of the Investment Manager: NA

6. UNDERTAKING BY THE ISSUER

i. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this Key Information Document (read with the General Information Document). Specific attention of investors is invited to section 'Risk Factors' on Section II of the General Information Document**.**

ii. The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document read together with the General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document read with the General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

iii. The issuer has no side letter with any holder of the Debentures. Any covenants later added shall be disclosed on the website of the stock exchange where the Debentures will get listed.

iv. Issuer hereby agrees and confirms that the permission or consent to create pari passu charge on the assets of the Issuer , wherever applicable, in favour of the Trustee to the proposed Issue has been obtained from the existing creditors/lenders/existing trustee.

v. The Issuer hereby undertakes that the assets on which the charge or security has been created to meet the hundred percent security cover or higher security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.

vi. The Issuer hereby undertakes that necessary documents for the creation of charge, where applicable, including Debenture Trust Deed would be executed within time-frame prescribed in the applicable laws and the same would be uploaded on website of the Designated Stock Exchange, where the Debentures will be listed.

7. OTHER DISCLOSURES

i. Debentures shall be considered as secured only if the charged asset is registered with sub-registrar and registrar of companies or Central Registry of Securitisation Asset Reconstruction and Security Interest or depository etc., as applicable or is independently verifiable by the Trustee.

ii. Terms and conditions of Trustee Agreement including fees charged by Trustees(s), details of security to be created and process of due diligence carried out by the Trustee: Details mentioned in the Key Information Document.

iii. Due Diligence Certificate – Please refer to **Annexure 7**.

8. CONSENTS

a) Consent of Directors: Please refer to Board Resolution dated 16th May 2025 annexed in **Annexure 6** authorizing

issue of non-convertible debentures up to Rs. 900 Crore in one or more series or tranches.

b) Consent of Statutory Auditor: The consent of the Statutory Auditor has been obtained vide letter dated June 02, 2025
c) Consent of Debenture Trustee: Please refer to the **Annexure 4**
d) Consent of the Registrar to the Issue: Please refer to the **Annexure 3**
e) Consent of the bankers to the issue, lead managers to the issue, solicitors or advocates to the issue, legal advisors to the issue, lenders and experts: Not Applicable

9. PROJECT DETAILS

Not Applicable

10. OTHER CONFIRMATION PERTAINING TO THE ISSUE

The Trust confirms that proceeds of the Issue either in whole or in part may not be utilised towards capital market exposure.

11. PARTICULARS OF THE MATERIAL CONTRACTS

The matters relating to (i) Material contracts; (ii) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list

Material Contracts - By very nature and volume of its business, the Trust is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Trust. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Trust) which are or may be deemed to be material for this Issue have been entered into by the Trust.

Para A:

(a) Letter appointing Catalyst Trusteeship Limited, as trustee for the benefit of the Debenture Holders ("**Trustee**").
(b) Trustee Agreement dated May 27, 2025.

Para B:

(a) **Corporate Authorizations of Issuer:** Board Resolution dated May 16, 2025 annexed in **Annexure 6** authorizing issue of non-convertible debentures up to Rs. 1,000 Crore in one or more series or tranches.
(b) **Consent of Trustee:** Please refer to the consent letter issued by the Trustee dated May 20, 2025 annexed in **Annexure 4**.
(c) **Consent letter of Registrar and Transfer Agent (RTA):** Please refer to the consent letter dated May 19, 2025 provided by the Registrar annexed in **Annexure 3**.
(d) **Consent of Statutory Auditor:** The consent of the Statutory Auditor has been obtained vide letter date 28th May 2025.
(e) **Due Diligence Certificate from Trustee:** Please refer to the certificate from Trustee consent letter issued by the Trustee dated May 27, 2025 annexed in **Annexure 7**.
(f) Application made to BSE for grant of in-principle approval for listing of Debentures.
(g) Letter from BSE dated [●] conveying its in-principle approval for listing of Debentures annexed in **Annexure 2**.
(h) Letters from CRISIL Ratings dated May 21, 2025 conveying the credit rating for the Debentures of the Trust.
(i) **Consent of lenders:** Not applicable
(j) **Copy of last three years' audited annual reports of the Issuer (or the combined financial statements for the periods when such historical financial statements are not available):** As per General Information Document
(k) Financing Documents:
(l) Any other material contract as may specified under the General Information Document or Key Information Document.

12. DISCLOSURES IN TERMS OF MASTER CIRCULAR FOR DEBENTURE TRUSTEES

(a) The Debentures shall be considered as secured only if the charge is registered with registrar of companies or CERSAI etc., as applicable, or is independently verifiable by Trustee

(b) Terms and conditions of the Trustee Agreement

(i) Fees charged by Trustee

Acceptance Fees: Rs. 3,50,000 (Rupees Three Lakh Fifty Thousand)
Annual Fees: Rs. 3,00,000 (Rupees Three Lakh)

(ii) Terms of carrying out due diligence

a) The Trustee, either through itself or its agents, advisors or consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Document and the Master Circular for Debenture Trustees, has been obtained. For the purpose of carrying out the due diligence as required in terms of Applicable Law, the Trustee, either through itself or its agents, advisors or consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts or management consultants appointed by the Trustee.

b) The Issuer shall provide all assistance to the Trustee to enable verification from the CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Issuer or any third party security provider for securing the Debt Securities, are registered / disclosed.

c) Further, in the event that existing charge holders, the concerned trustee or agent on behalf of the existing charge holders, have provided conditional consent / permissions to the Issuer to create further charge on the assets, the Trustee shall also have the power to verify such conditions by reviewing the relevant Financing Documents or any other documents executed between existing charge holders/trustee and the Issuer. The Trustee shall also have the power to intimate the existing charge holders or trustee about proposal of creation of further encumbrance and seeking their comments or objections, if any.

d) Without prejudice to the aforesaid, the Issuer shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debt Securities, in accordance with Applicable Law.

e) The Issuer hereby agrees that the Trustee shall have an unqualified right to disclose such information to the Holders as may be required under the Applicable Laws.

f) The Trustee shall have the power to either independently appoint or direct the Issuer to (after consultation with the Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing Issuer secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports or certificates or documentation, including all out-of-pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Issuer in accordance with the relevant provisions the Debt Security Trust Deed.

g) The Trustee shall carry out the due diligence and shall issue the requisite certificates in the format specified under the Master Circular for Debenture Trustees and the SEBI ILNCS Regulations.

(b) Other confirmations

The Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Laws including the SEBI (Trustees) Regulations, 1993, read with the SEBI Trustee Master Circular. The due diligence certificate in this regard is enclosed as **Annexure 7**.

DECLARATION

The Investment Manager of the Issuer hereby declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document read with the General Information Document ("Issue document") is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in the Issue Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in the Issue Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by entities in the past.

The Investment Manager of the Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that the Issue Document contains all information with regard to the Issuer and the Issue, that the information contained in the Issue Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions which are misleading in any material respect.

The Investment Manager of the Issuer also confirms that the Permanent Account Number, Bank Account Number(s) of the Sponsor of the Issuer and Permanent Account Number of the directors of the Investment Manager of the Issuer have been submitted to the stock exchange(s) on which the non-convertible securities are proposed to be listed, at the time of filing of the Key Information Document.

Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the of risk factors contained under Section II titled 'Risk Factors' as mentioned in the General Information Document.

The Issuer has no side letter with any Debenture Holder except the one(s) disclosed in this Key Information Document. Any covenants later added shall be disclosed on the relevant stock exchange's website where the Debentures are listed.

The Investment Manager accepts no responsibility for statements made otherwise than in this Key Information Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk. The information contained in this Key Information Document is applicable to privately placed debt securities and subject to information available with the Issuer.

The Issuer declares that the credit rating under heading *"Credit Rating of the Debentures"* is valid as on the date of issuance and listing.

Nothing in the Issue Document is contrary to the provisions of Companies Act, 2013 (18 of 2013), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.

For Highway Concessions One Private Limited (acting on behalf of Highways Infrastructure Trust)

GAJENDRA MEWARA
Digitally signed by GAJENDRA MEWARA
Date: 2025.06.02 14:29:55 +05'30'

Name: Mr. Gajendra Mewara
Designation: : Company Secretary and Compliance Officer of the Investment Manager of the Issuer
Date: June 02, 2025
Place: Mumbai

DECLARATION BY THE AUTHORISED OFFICER OF THE INVESTMENT MANAGER OF THE ISSUER

I, Mr. Abhishek Chhajer, CFO, am authorised by the Board of Directors of the Investment Manager vide resolution dated May 16, 2025 (a copy of the resolution is provided under **Annexure 6**) to sign this Key Information Document and declare that:

(i) the Issuer is in compliance with Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Securities and Exchange Board of India Act, 1992 as amended and rules and regulations made thereunder.

(ii) The compliance with the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;

(iii) The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

(iv) the securities proposed to be issued does not form a part of non-equity regulatory capital of the Issuer as mentioned under Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with NCS Master Circular No SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024, and any amendment thereto; and

(v) whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoters (Sponsors) subscribing to the trust deed of the Issuer. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form;

(vi) The contents of the Key Information Document have been perused by the Board of Directors of the Investment Manager, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors of the Investment Manager...

For **Highway Concessions One Private Limited (acting on behalf of Highways Infrastructure Trust)**

ABHISHEK CHHAJER
Digitally signed by ABHISHEK CHHAJER
Date: 2025.06.02 14:31:28 +05'30'

Name: Mr. Abhishek Chhajer
Designation: CFO
Date: June 02, 2025
Place: Mumbai

APPLICATION FORM

SUBSCRIPTION APPLICATION FORM
HIGHWAYS INFRASTRUCTURE TRUST

SERIAL NO:
[INVESTOR NAME][3]:

SUBSCRIPTION APPLICATION FORM

SENIOR, SECURED, LISTED, RATED, TAXABLE, REDEEMABLE, NON-CONVERTIBLE DEBT SECURITIES

Date of Application:

Name of the Investor:

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and disclosures in the General Information Document and the relevant Key Information Document, issued by Highways Infrastructure Trust (the **"Trust"**). We have also done all the required due diligence (legal or otherwise). Now, therefore, we hereby agree to accept the Debentures mentioned hereunder, or such smaller number as may be allocated to us, subject to the terms of this subscription application form. We undertake that we will sign all such other documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We have attached a filled in Part B of the Subscription Application Form and confirm that all the information provided therein is accurate, true and complete. The bank account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

We note that the Trust is entitled in its absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

Yours faithfully,

For *(Name of the Applicant)*
(Name and Signature of Authorized Signatory)

[3] Note: Subscriber to confirm

PART A OF THE SUBSCRIPTION APPLICATION FORM

The details of the application are as follows:

SUBSCRIPTION APPLICATION FORM FOR DEBENTURES (CONT.)

DEBENTURES APPLIED FOR:

No. of Debentures (in figures and in words)	**Issue Price per Debenture (**Rs.**)**	**Amount (**Rs.**)**
Total		

Tax status of the Applicant (please tick one)

1.Non-Exempt 2.Exempt under: Self-declaration Under Statute Certificate from I.T Authority

Please furnish exemption certificate, if applicable.

We apply as (tick whichever is applicable) Financial Institution/

Company

Non-Banking Finance Company Insurance Company

Commercial Bank/RRB/Co-op. Bank/UCB /Body Corporate

Mutual Fund

Others: _____

PAYMENT PREFERENCE

APPLICANT'S NAME IN FULL:

Taxpayer's PAN		IT Circle/ Ward/ District	

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin							Tel							Fax					

CONTACT PERSON

NAME DESIGNATION	TEL. NO.	FAX NO.	Email

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL					CDSL		
Depository Participant Name								
DP ID								
Beneficiary Account Number								
Name of Applicant								

Tick whichever is applicable:

☐ **The applicant is not required to obtain Government approval under the Foreign Exchange Management Act or any rules thereof**

☐ **The applicant is required to obtain Government approval under the Foreign Exchange Management Act or any rules thereof and the same has been obtained, and is enclosed herewith:**

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the subscription application form matches that of the Account held with the DP).

Name of the Authorized Signatory(ies)	**Designation**	**Signature**

_ _ _ _ _ _ _ _ _ _Tear Here

FOR OFFICE USE ONLY

No. of Debentures (in words and figures)				Date of receipt of application							
Amount for Debentures (Rs.) (in words and figures)				Date of clearance of cheque							
RTGS/Cheque/Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS/Cheque / Demand Draft/ fund transfer Date		DP ID No.							
				Client ID No.							

PART B OF THE SUBSCRIPTION APPLICATION FORM

Investor Details

(To be filled by Investor)

SERIAL NO :_____INVESTOR NAME: _____

(i)	Name	
(ii)	Father's Name	
(iii)	Complete Address including Flat/House Number, Street, Locality, Pin Code	
(iv)	Phone Number, if any	
(v)	Email id, if any	
(vi)	PAN Number	
(vii)	Bank Account Details	
(viii)	Tick if applicable:-	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares/Units ☐ The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained and is enclosed herewith. ☐

Name of Investor: _____

Signature of Investor: _____

Initial of the officer of the Trust designated to keep the record.

Instructions to fill Subscription Application Form

1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Payments must be made by RTGS as per the following details to the designated virtual account provided by the Issuer (the "**Designated Bank Account**").

3. The Subscription Application Form along with relevant documents should be forwarded to the principal office of the Issuer, to the attention of Company Secretary of the Investment Manager (acting on behalf of the Trust), Authorised Person along on the same day the application money is deposited in the Bank or with the clearing corporation. A copy of PAN Card must be attached to the application.

4. In the event of debentures offered being over-subscribed, the same will be allotted in such manner and proportion as may be decided by the Trust.

5. The Debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Trust at its Corporate office to the attention of Company Secretary, Authorised Person along with a copy of the Subscription Application Form.

(a) Memorandum and articles of association / documents governing constitution / certificate of incorporation.

(b) Board resolution of the investor authorising investment.

(c) Certified true copy of the Power of Attorney.

(d) Specimen signatures of the authorised signatories duly certified by an appropriate authority.

(e) PAN (otherwise exemption certificate by IT authorities).

(f) Specimen signatures of authorised persons.

(g) SEBI registration certificate, if applicable.

7. Any person who:

(a) Makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, for its securities; or

(b) Makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a Company to allot or register any transfer of securities to him or any other person in a fictitious name, shall be punishable with imprisonment for a term which shall not be less than 6 months, but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

Any Subscription Application Form received from a person other than an Eligible Investor will be invalid. Further, any incomplete Subscription Application Form not accompanied by the filled in Eligible Investor Details in Part A of the Subscription Application Form will also be treated as invalid.

ANNEXURE 1

CREDIT RATING LETTER FROM CRISIL RATINGS

CONFIDENTIAL

RL/HIINRU/369042/BLR/0525/118078
May 21, 2025

Mr. Abhishek Chhajer
Chief Financial Officer
Highways Infrastructure Trust
Unit No. 601-602
6th floor, Windsor House
Off CST Road, Kalina
Santacruz East, Mumbai – 400098
Mumbai City - 400098

Dear Mr. Abhishek Chhajer,

Re: Review of Crisil Ratings on the bank facilities of Highways Infrastructure Trust

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please find in the table below the ratings outstanding for the debt instruments/facilities of the company, and the rating actions by Crisil Ratings on the ratings as on date.

Total Bank Loan Facilities Rated	**Rs.10950 Crore**
Long Term Rating	**Crisil AAA/Stable (Reaffirmed)**

(Bank-wise details as per Annexure 1)

As per our Rating Agreement, Crisil Ratings would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. Crisil Ratings reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which Crisil Ratings believes may have an impact on the ratings. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

In the event of the company not availing the proposed facilities within a period of 180 days from the date of this letter, a fresh letter of revalidation from Crisil Ratings will be necessary.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Saina S Kathawala
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

Annexure 1 - Bank-wise details of various facility classes (outstanding facilities)

S.No.	Bank Facility	Bank	Amount (Rs. in Crore)	Outstanding Rating
1	Term Loan	Punjab National Bank	2800	Crisil AAA/Stable
2	Term Loan	State Bank of India	2300	Crisil AAA/Stable
3	Term Loan	ICICI Bank Limited	1300	Crisil AAA/Stable
4	Term Loan	Axis Bank Limited	1850	Crisil AAA/Stable
5	Term Loan	HDFC Bank Limited	500	Crisil AAA/Stable
6	Term Loan	India Infrastructure Finance Company Limited	1700	Crisil AAA/Stable
7	Term Loan	IndusInd Bank Limited	500	Crisil AAA/Stable
	Total		**10950**	

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site,* www.crisilratings.com. *Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit* www.crisilratings.com *or contact Customer Service Helpdesk at* Crisilratingdesk@crisil.com *or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/CP/0525/118079
May 21, 2025

Mr. Abhishek Chhajer
Chief Financial Officer
Highways Infrastructure Trust
Unit No. 601-602
6th floor, Windsor House
Off CST Road, Kalina
Santacruz East, Mumbai – 400098
Mumbai City - 400098

Dear Mr. Abhishek Chhajer,

Re: Review of Crisil Rating on the Rs.275 Crore Commercial Paper of Highways Infrastructure Trust

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Crisil Ratings has, after due consideration, reaffirmed its Crisil A1+ (pronounced as Crisil A one plus rating) rating on the captioned debt instrument. Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.

For the purpose of issuance of captioned commercial paper programme, this letter is valid for 60 calendar days from the date of the letter. In the event of your company not placing the above programme within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid (unless revised) throughout the life of the captioned Commercial Paper Programme with a maximum maturity of one year.

As per our Rating Agreement, Crisil Ratings would disseminate the rating through its publications and other media, and keep the rating under surveillance for the life of the instrument. Crisil Ratings reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which Crisil Ratings believes, may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Saina S Kathawala
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

***Disclaimer**: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/NCD/0525/118081/164795107
May 21, 2025

Mr. Abhishek Chhajer
Chief Financial Officer
Highways Infrastructure Trust
Unit No. 601-602
6th floor, Windsor House
Off CST Road, Kalina
Santacruz East, Mumbai – 400098
Mumbai City - 400098

Dear Mr. Abhishek Chhajer,

Re: Review of Crisil Rating on the Rs.125 Crore Non Convertible Debentures of Highways Infrastructure Trust

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Crisil Ratings has, after due consideration, reaffirmed its Crisil AAA/Stable (pronounced as Crisil triple A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from Crisil Ratings will be necessary.

As per our Rating Agreement, Crisil Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. Crisil Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which Crisil Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable Crisil Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Saina S Kathawala
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

***Disclaimer**: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/NCD/0525/118082/165897899
May 21, 2025

Mr. Abhishek Chhajer
Chief Financial Officer
Highways Infrastructure Trust
Unit No. 601-602
6th floor, Windsor House
Off CST Road, Kalina
Santacruz East, Mumbai – 400098
Mumbai City - 400098

Dear Mr. Abhishek Chhajer,

Re: Review of Crisil Rating on the Rs.270 Crore Non Convertible Debentures of Highways Infrastructure Trust

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Crisil Ratings has, after due consideration, reaffirmed its Crisil AAA/Stable (pronounced as Crisil triple A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from Crisil Ratings will be necessary.

As per our Rating Agreement, Crisil Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. Crisil Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which Crisil Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable Crisil Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Saina S Kathawala
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/NCD/0525/118084/155676691
May 21, 2025

Mr. Abhishek Chhajer
Chief Financial Officer
Highways Infrastructure Trust
Unit No. 601-602
6th floor, Windsor House
Off CST Road, Kalina
Santacruz East, Mumbai – 400098
Mumbai City - 400098

Dear Mr. Abhishek Chhajer,

Re: Review of Crisil Rating on the Rs.325 Crore Non Convertible Debentures of Highways Infrastructure Trust

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Crisil Ratings has, after due consideration, reaffirmed its Crisil AAA/Stable (pronounced as Crisil triple A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from Crisil Ratings will be necessary.

As per our Rating Agreement, Crisil Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. Crisil Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which Crisil Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable Crisil Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Saina S Kathawala
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/NCD/0525/118080/104455861
7 aM21y2025

Mr. Abhishek Chhajer
C, ihe f inancial F eeichr
Highways Infrastructure Trust
Unit No. 601C602
6t, eloory- inWor Hodsh
F ee CuS RoaWyT alina
uantacrdKz asty7 dmEai b 400098
7 dmEai CitMO400098

Dhar 7 r. AE, is, h– C, , akhry

Re: Review of Crisil Rating on the Rs.650 Crore Non Convertible Debentures of Highways Infrastructure Trust

All ratings assignhWEMCrisil Ratings arh –hj t dnWir contindods sdrphillanch anWrhpihw.

Crisil Ratings , asy aethr Wdh consiWirationy rhaeeirmhWits Crisil AAA/utaElh vj ronodnchWas Crisil trij lh A rating wit, utaElh odtloo–(rating to t, h caj tionhWDhEt instrdmhnt. uhcdritihs wit, t, is rating arh consiWirhWto , aph t, h , ig, hst Wigrhh oe saehtMrhgarWing timhlMshrpicing oe einancial oEligations. udc, shcdritihs carrMlowhst crhWit ris–.

In t, h hphnt oe Modr comj anMnot ma–ing t, h issdh wit, in a j hrioWoe 180 WaMs erom t, h aEoph Wathyor in t, h hphnt oe anM c, angh in t, h siKh or strdctdrh oe Modr j roj oshWissdhya erhs, lhtthr oe rhpaliWation erom Crisil Ratings will Eh nhchssarM

As j hr odr Rating AgrhhmhntyCrisil Ratings wodlWWsshminath t, h rating along wit, odtloo– t, rodg, its j dElications anW ot, hr mhWay anW–hhj t, h rating along wit, odtloo– dnWir sdrphillanch eor t, h lieh oe t, h instrdmhnt. Crisil Ratings rhshrphs t, h rig, t to wit, Wawyor rhpish t, h rating / odtloo– assignhWto t, h caj tionhWinstrdmhnt at anMtimhyon t, h Easis oe nhw ineormationy or dnapailaEilitMoe ineormationy or ot, hr circdmstanchs w, ic, Crisil Ratings Ehlihphs maM, aph an imj act on t, h rating.) lhash pisit www.crisilratings.com anWsharc, wit, t, h namh oe t, h rathWhntitMto acchss t, h lathst rating/s.

As j hr uz P I circdlar vrhehrhnch ndmEhrBCIR/I7 D/Df /1: /2013; WathWF ctoEhr 22y 2013(on chntraliKhWWataEash eor corj orath EonWs/WhEhntdrhsy Mod arh rhqdirhWto j ropiWi inthrnational shcdritihs iWintieication ndmEhr vIuIN; along wit, t, h rhehrhnch ndmEhr anWt, h Wath oe t, h rating lhtthr(oe all EonWWhEhntdrh issdanchs maWi against t, is rating lhtthr to ds. S, h circdlar also rhqdirhs Mod to s, arh t, is ineormation wit, ds wit, in 2 WaMs aethr t, h allotmhnt oe t, h IuIN. - h rhqdhst Mod to mail ds all t, h nhchssarMan Wrhlhpant ineormation at WhEtissdh@crisil.com. S, is will hnaElh Crisil Ratings to phrieM anWconeirm to t, h Wij ositorihsy incldWing NuDL anWCDuLyt, h IuIN Wtails oe WhEt rathWEMdsy as rhqdirhWEMuz P I. f hhl erhh to contact ds at WhEtissdh@crisil.com eor anMclarieication Mod maMnhhW

u, odlWMod rhqdirh anMclarieicationyj lhash ehhl erhh to ght in todc, wit, ds.

- it, warm rhgarWy

Yodrs sinchrhlMy

uaina u T at, awala
Associath Dirhctor OCrisil Ratings

NiphWta u, iEd
Dirhctor OCrisil Ratings

***Disclaimer**: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

CONFIDENTIAL

RL/HIINRU/369042/NCD/0525/118083/168555093
7 aM21y2025

Mr. Abhishek Chhajer
C, ihe f inancial F eeichr
Highways Infrastructure Trust
Unit No. 601C602
6t, eloory- inWsor Hodsh
F ee CuS RoaWyT alina
uantacrdKz asty7 dmEai b 400098
7 dmEai CitMO400098

Dhar 7 r. AE, is, h– C, , akhry

Re: Crisil Rating on the Rs.680 Crore Non Convertible Debentures of Highways Infrastructure Trust

- h rhehr to Modr rhj dhst eor a rating eor t, h captionhWDhEt instrdmhnt.

Crisil Ratings , asyaethr Wdh consiWirationyassignhWa Crisil AAA/utaElh vpronodnchWas Crisil triplh A rating wit, utaElh odtloo–(rating to t, h captionhWDhEt instrdmhnt. uhcdritihs wit, t, is rating arh consiWirhWto , a) h t, h , ig, hst Wigrhh oe saehtMrhgarWng timhlMshr) icing oe einancial oEligations. udc, shcdritihs carrMlowhst crhWt ris–.

f drt, hryin) ihw oe Modr Wicision to acchpt t, h Crisil Ratingsywh rhj dhst Mod to apprish ds oe t, h instrdmhnt Wtails vin t, h hncloshWeormat(as soon as it , as Ehhn plachW In t, h h) hnt oe Modr companMnot ma–ing t, h issdh wit, in a phrioWoe 180 WaMs erom t, h aEo) h Withyor in t, h h) hnt oe anMc, angh in t, h siKh or strdctdrh oe Modr proposhWissdhya erhs, lhtthr oe rh) aliWation erom Crisil Ratings will Eh nhchssarM

As phr odr Rating AgrhhmhntyCrisil Ratings wodlWWsshminath t, h rating along wit, odtloo– t, rodg, its pdElications anW ot, hr mhWay anW–hhp t, h rating along wit, odtloo– dnWir sdr) hillanch eor t, h lieh oe t, h instrdmhnt. Crisil Ratings rhshr) hs t, h rig, t to wit, Wawyor rh) ish t, h rating / odtloo– assignhWto t, h captionhWinstrdmhnt at anMtimhyon t, h Easis oe nhw ineormationyor dna) ailaEilitMoe ineormationyor ot, hr circdmstanchs w, ic, Crisil Ratings Ehlih) hs maM, a) h an impact on t, h rating. Plhash) isit www.crisilratings.com anWsharc, wit, t, h namh oe t, h rathWhntitMto acchss t, h lathst rating/s.

As phr uz BI circdlar vrhehrhnch ndmEhr: CIR/I7 D/Df /1; /2013q WathWF ctoEhr 22y 2013(on chntraliKhWWataEash eor corporath EonWs/WhEhntdrhsyMod arh rhj dirhWto pro) iWi inthrnational shcdritihs iWintieication ndmEhr vIuINq along wit, t, h rhehrhnch ndmEhr anWt, h Wath oe t, h rating lhtthr(oe all EonWWhEhntdrh issdanchs maWi against t, is rating lhtthr to ds. S, h circdlar also rhj dirhs Mod to s, arh t, is ineormation wit, ds wit, in 2 WaMs aethr t, h allotmhnt oe t, h IuIN. - h rhj dhst Mod to mail ds all t, h nhchssarManWrhlh) ant ineormation at WhEtissdh@crisil.com. S, is will hnaElh Crisil Ratings to) hrieM anWconeirm to t, h Wipositorihsyincld Wng NuDL anWCDuLyt, h IuIN Wtails oe WhEt rathWEMdsyas rhj dirhWEMuz BI. f hhl erhh to contact ds at WhEtissdh@crisil.com eor anMclarieication Mod maMnhhW

u, odlWMod rhj dirh anMclarieicationyplhash ehhl erhh to ght in todc, wit, ds.

- it, warm rhgarWsy

Yodrs sinchrhlMy

uaina u T at, awala
Associath Dirhctor OCrisil Ratings

Ni) hWta u, iEd
Dirhctor OCrisil Ratings

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

Details of the Rs.680 Crore Non Convertible Debentures of Highways Infrastructure Trust

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Dath	Amodnt	Dath	Amodnt	Dath	Amodnt
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

***Disclaimer**: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

Crisil Ratings

Rating Rationale

May 20, 2025 | Mumbai

Highways Infrastructure Trust

'Crisil AAA/Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	**Rs.10950 Crore**
Long Term Rating	**Crisil AAA/Stable (Reaffirmed)**

Rs.680 Crore Non Convertible Debentures	**Crisil AAA/Stable (Assigned)**
Rs.125 Crore Non Convertible Debentures	**Crisil AAA/Stable (Reaffirmed)**
Rs.325 Crore Non Convertible Debentures	**Crisil AAA/Stable (Reaffirmed)**
Rs.270 Crore Non Convertible Debentures	**Crisil AAA/Stable (Reaffirmed)**
Rs.650 Crore Non Convertible Debentures	**Crisil AAA/Stable (Reaffirmed)**
Rs.275 Crore Commercial Paper	**Crisil A1+ (Reaffirmed)**

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**Crisil AAA/Stable**' rating to the Rs. 680 crore proposed non-convertible debentures (NCDs) of Highways Infrastructure Trust (HIT). Crisil Ratings has also reaffirmed its 'Crisil AAA/Stable/Crisil A1+' ratings on the bank facilities and existing debt instruments of HIT.

The ratings continue to reflect favourable location and geographic diversity of the existing stretches and the stretches to be acquired, and healthy revenue visibility given strong track record of toll collection and annuity receipt. Toll revenue for the eight existing toll projects grew 7.5% year-on-year in fiscal 2025 to Rs 1,793 crore supported by traffic growth of 4.3% year-on-year. Over and above the existing portfolio of 15 road special purpose vehicles (SPVs), HIT is in the process of acquiring twelve road SPVs (11 hybrid annuity mode [HAM] and one toll road SPVs) owned by PNC Infratech Ltd and PNC Infra Holdings Ltd (collectively 'PNC').

On a consolidated basis, the trust had gross debt of ~Rs 4,944 crore (net debt of ~Rs 4,664 crore) which translated to net debt-to-enterprise value (EV) of ~25% as on March 31, 2025. HIT is expected to contract debt of Rs 9,250 crore for acquisition of 12 PNC SPVs and TOT-16 (toll, operate, transfer) in the form of already tied up rupee term loans (RTL-3 and RTL-4; Rs 1,200 crore of RTL-4 has been drawn in February 2025) and non-convertible debentures (NCDs) leading to expected increase in the consolidated net debt-to-EV to 50-55% post the acquisition of PNC SPVs. Nevertheless, HIT's debt protection metrics should remain comfortable even with the incremental debt expected to be taken for planned acquisition. Healthy operating performance coupled with low leverage led to strong Crisil Ratings-adjusted debt service coverage ratio (DSCR) over 3 times for fiscal 2025. Crisil Ratings will continue to engage with HIT's management regarding updates on these developments.

The rating also factors in a tight escrow mechanism with a well-defined payment waterfall mechanism and creation of a debt service reserve account (DSRA) and a major maintenance reserve account (MMRA). It also derives strength from the experience of Highway Concessions One Pvt. Ltd (HC1) and HC One Project Manager Pvt. Ltd (HC1 PM) as the investment manager and the project manager providing services to the assets, respectively. The trust is sponsored by Galaxy Investments II Pte Ltd (Galaxy), which is invested in by funds, vehicles and/or entities managed and/or advised by Kohlberg Kravis Roberts & Co. LP and/or its affiliates (collectively 'KKR'), which has strong experience in the infrastructure space globally, including in India.

These strengths are partially offset by susceptibility of toll revenue to volatility in traffic volume, development or improvement of alternative routes or modes of transportation that could impact revenue and in turn DSCR. The DSCR will also remain susceptible to volatility in operations and maintenance (O&M) costs and interest rates.

Analytical Approach

Crisil Ratings has combined the business and financial risk profiles of HIT with its underlying SPVs. This is because the trust is expected to have direct control over these SPVs and will infuse funds in them (in the form of shareholder debt) to prepay outstanding debt. Furthermore, the SPVs will distribute their surplus cash to the infrastructure investment trust (InvIT), in the form of interest and repayment (on debt provided by the InvIT/debentures), dividend or return of capital through capital

reduction, leading to highly fungible cash flows. Also, as per the financing terms, the cap on borrowings has been defined at a consolidated level.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

Healthy operational track record of assets with geographic diversification

The existing portfolio comprising of fifteen SPVs (excluding twelve project SPVs to be acquired) in different states benefits from asset and geographical diversification. Additionally, the projects have strong counter parties – National Highways Authority of India (NHAI, rated 'Crisil AAA/Stable) for 12 project SPVs and Ministry of Road Transport and Highways, Madhya Pradesh Road Development Corporation Ltd and govt. of Gujarat for one project SPV each. The toll road projects have long tolling track record ranging from 8 to 22 years, while the annuity projects have track record of receiving 31 and 24 semi-annual annuities without any material deduction. All four HAM projects are operational and have received 2-6 annuity payments. The portfolio will further benefit from diversification after the proposed acquisitions of one toll and eleven HAM assets.

The toll stretches are situated along major industrial and tourist hubs and connect important cities such as Godhra, Jodhpur, Indore, Bhopal, Ahmedabad and Chennai to major ports on the western (Kandla and Mundra) and eastern (Chennai, Puducherry and Krishnapatnam) seaboards. The stretches are spread across nine key states (presence in ten states including proposed acquisitions) that contribute substantially to the total gross state domestic product. HIT will, thus, benefit from healthy traffic potential. Balance concession period of the projects ranges from 3 to 20 years. While the concession for four of the existing projects (SEPL, UEPL, BETPL and NBL) is expected to be over in next 2-3 years, long term revenue visibility is driven by other assets having larger share of revenue in the existing portfolio. Furthermore, the trust is in the process of acquiring new assets and will continue to look for new opportunities of adding assets and hence, further diversifying the portfolio over the medium term.

Four toll SPVs (GEPL, JPEPL, UTPL and NTEPL) out of nine toll SPVs (including one TOT SPV) have an annual toll rate escalation with a fixed increase of 3% and a variable portion equal to only 40% change in the wholesale price index (WPI), limiting dependence on WPI, thereby supporting revenue. One project has a fixed toll rate hike of 7%, one is directly linked to the consumer price index (CPI) and the remaining three are linked directly to the WPI. For the proposed PNC toll asset, toll escalation rate is linked 3% plus 40% change in WPI.

Toll revenue for the eight existing toll projects grew by 7.5% to Rs 1,793 crore in fiscal 2025 from Rs 1,668 crore in fiscal 2024 driven by moderate traffic growth of 4.3% despite heavy monsoon and delay in toll hike impacting some of the stretches to an extent. Toll collection is expected to remain healthy going forward as well.

Strong debt protection metrics, with provision for cash sweep and creation of DSRA and MMRA

Financial risk profile is healthy with existing outstanding gross debt of ~Rs 4,944 crore (net debt of ~Rs 4,664 crore) on consolidated basis as on March 31, 2025 translating into net debt-to-EV of ~25%. HIT is expected to contract debt of Rs 9,250 crore for acquisition of 12 PNC SPVs and TOT-16 in the form of already tied up rupee term loans (RTL-3 and RTL-4; Rs 1,200 crore of RTL-4 has been drawn in February 2025) and non-convertible debentures. Post acquisition of twelve proposed PNC assets, net debt-to-EV of HIT is expected to increase to 50-55%. Nevertheless, the resultant average DSCR is expected to remain strong with cash flows remaining sufficient to service incremental debt as well as premium payments.

The terms for existing debt also require adequate liquidity cushion in form of three months DSRA and six months MMRA. As per existing terms, cash trap will be triggered if DSCR falls below 1.40 times, while there will be a cash sweep in case of negative impact on tollable traffic on account of an alternate route to the project roads. The structure also stipulates that any transfer to the distribution account will be made only post meeting debt obligation, DSRA and MMRA requirement, and transfer to the cash sweep account, if required.

While the covenants for DSCR and leverage were relaxed, DSCR for the rated debt instruments is expected to remain comfortable and well above the covenants throughout the debt tenure, supported by healthy toll collection and moderate leverage. Hence, Crisil Ratings believes that relaxation in financial covenants will not have a material impact on HIT's credit risk profile. However, increase in debt from current levels, in the absence of commensurate cash inflows, will remain a key rating sensitivity factor.

The existing NCDs have a total tenor of 3 years 3 months, 7 years and 3 years for tranche-1, tranche-2 and tranche-3, respectively from the respective deemed date of allotment, exposing the trust to refinancing risk. Nevertheless, the risk is mitigated by a long tail at the end of tenure of NCDs, ability and track record of the sponsors in refinancing, and healthy revenue potential of the road stretches.

Experienced management team

HIT will benefit from the experience of Highway Concessions One Pvt. Ltd (HC1) and HC One Project Manager Pvt. Ltd (HC1 PM) as the investment manager and the project manager who have a long track of managing these assets. The trust is sponsored by Galaxy, which is invested in by funds, vehicles and/or entities managed and/or advised by KKR, which in turn has strong experience in the infrastructure space, including in India. While this is Galaxy's first investment in Indian roads, it benefits from KKR's experience in renewable energy and transmission sector in India.

Weaknesses:

Susceptibility to fluctuations in traffic volume and risks inherent in toll road projects

The stretch is vulnerable to variations in traffic volume owing to the seasonal variations in vehicular traffic, diversion of traffic to any alternate routes or development of alternative routes/modes of transport. Susceptibility to economic downturns could

also adversely impact the traffic volumes on the project stretch. Nevertheless, comfort is derived from no major alternate route risk present for the project stretch.

Toll collection is the only source of revenue, and hence, any volatility because of factors such as toll leakage, lack of timely increase in rates, fluctuation in WPI-linked inflation could adversely impact cash flow. Force majeure events can impact cash flow and, hence, debt protection metrics of the projects till the time these are resolved and tolling is resumed. These risks are partially mitigated given remedies for force majeure events as defined in the concession agreement, however, these are typically in the form of extension of concession period and do not address possible cash flow mismatches during the time of such events. In certain force majeure events, cash compensation is also available to the concessionaire as per the terms of the concession agreement, however, these are also provided with a lag.

Susceptibility to volatility in O&M and major maintenance costs and interest rates
The trust is exposed to risks related to maintenance of the projects in the underlying SPVs as per the specifications and within the budgeted costs. While the SPVs are expected to maintain six months equivalent MMRA, any significant dip in toll collection or unplanned maintenance activity could result in cash flow shortfall during years of such maintenance and will remain a rating sensitive factor.

The interest rate for the rupee term debt shall be floating with a quarterly reset linked to benchmark. This exposes the trust to volatility in interest rates. Although part of the debt raised through bonds has fixed rate the cushion in the cash flow, will partially help to absorb the impact of any fluctuations in rate of interest, but it will remain a rating sensitivity factor.

Liquidity: Superior
Toll collection and annuity receipts will be adequate to meet operational expenses and debt servicing obligation of Rs 1,400-1,800 crore per annum (considering full drawdown of planned debt) over the three fiscals through 2028. Furthermore, DSRA equivalent to interest and principal obligations of three months will be maintained along with MMRA equivalent to six months of major maintenance expenses. The limited amortising structure of the NCDs with substantial bullet repayments in fiscals 2026, 2027 and 2030 exposes the trust to refinancing risk. Nevertheless, the risk is mitigated by the long tail at the end of the tenure of the NCDs, the ability and track record of the sponsors in refinancing, and healthy revenue potential of the road stretches. HIT has consolidated (including underlying SPVs with 100% of GRICL) DSRA of Rs 140 crore and MMRA of Rs 46 crore (kept as undrawn limit) as of April 2025.

Outlook: Stable
Crisil Ratings believes that HIT will continue to generate healthy toll revenue over the medium term, backed by good traffic potential on the project stretches.

Rating Sensitivity Factors
Downward Factors:
- Lower-than-expected toll revenue by more than 10% on sustained basis or higher-than-expected maintenance cost affecting DSCR
- Higher-than-expected incremental borrowings significantly impacting the coverage metrics
- Non-adherence to the structural features of the transaction or non-maintenance of adequate liquidity reserves in the form of DSRA and MMRA
- Acquisition of weak assets with high debt and low revenue potential impacting overall DSCR

About HIT
HIT is registered as an irrevocable trust under Indian Trust Act, 1882, and as an InvIT under the Securities and Exchange Board of India's, InvIT Regulations, 2014 since December 23, 2021.

HIT is an InvIT of road sector assets sponsored by Galaxy, which is invested in by funds, vehicles and/or entities managed and/or advised by KKR, with HC1 as its investment manager, HC1 PM, a 100% subsidiary of HC1, acting as project manager and Axis Trustee Services Ltd acting as trustee. KKR is a leading global investment firm with approximately US$ 600 billion of assets under management as on December 31, 2024.

HIT has a portfolio of fifteen operational road project SPVs — nine toll (including one TOT), two annuity, four HAM. The broad details of the assets held by HIT, are provided below:

Jodhpur Pali Expressway Pvt. Ltd (JPEPL)
The 71.5 km stretch is the shortest route connecting Jodhpur to Pali. It achieved PCOD in fiscal 2015 and COD in fiscal 2018 and has a track record of more than eight years with balance concession life of around 21 years. Traffic registered compound annual growth rate (CAGR) of 1.8% between fiscals 2019 and 2024. The stretch has four alternative routes, but these are either two lane or longer than JPEPL's stretch and do not impact the traffic movement on the project road.

Godhra Expressways Pvt. Ltd (GEPL)
The 87.1 km stretch provides connectivity for traffic plying from the Kandla and Mundra ports and moving towards central and east India. It achieved PCOD in fiscal 2014 and COD in fiscal 2017 and has a track record of over nine years with balance concession life of around 20 years. Traffic registered a CAGR of 8.2% between fiscals 2019 and fiscal 2024. The stretch has no alternate routes.

Dewas Bhopal Corridor Pvt. Ltd (DBCPL)
This 140.8 km stretch is the shortest route between Indore (through Dewas) and Bhopal, two major cities of Madhya Pradesh. The project achieved PCOD in fiscal 2009 and COD in fiscal 2011 and has a track record of over 13.5 years with balance concession life of around 10.5 years. Traffic registered a CAGR of 6.5% between fiscals 2019 and 2024. The stretch has no alternate routes.

Ulundurpet Expressways Pvt. Ltd (UEPL)
The 72.9 km stretch connects Chennai to the southern, eastern and western parts of Tamil Nadu. The project achieved COD in fiscal 2010 and has a track record of three years with balance concession life of around four years. Traffic registered degrowth in CAGR of 2.4% between fiscals 2019 and 2024. There are no alternate routes to the project road.

Nirmal BOT Private Ltd (NBPL)
This road stretch connects Kadtal to Armur in Telangana and has balance concession life of around five years. The project has track record of timely receiving 30 semi-annual annuities without any material deduction.

Shillong Expressway Pvt. Ltd (SEPL)
This project is part of the Shillong bypass in Meghalaya and has balance concession life of around three years. The project has track record of timely receiving 23 semi-annual annuities without any material deduction.

Udupi Tollway Pvt. Ltd (UTPL)
It has two four-lane stretches — 74.8 km Kundapur-Surathkal section and 15.3 km Mangalore-Kerala border section — on NH-66 in Karnataka. The project achieved PCOD in fiscal 2017 and has a track record of over six years with balance concession life of around 12 years. Traffic registered CAGR of 4.2% between fiscals 2019 and 2024. The stretch has no alternate routes.

Ateli Narnaul Highway Pvt. Ltd (AN)
This is the 40.8 km Ateli-Narnaul section of NH-11 in Haryana operating on HAM basis. The project has track record of timely receiving 6 semi-annual annuities without any material deduction.

Gurgaon Sohna Highway Pvt. Ltd (GS)
It is a 12.7 km Gurgaon-Sohna section of NH-248A in Haryana operating on HAM basis. The project has track record of timely receiving 6 semi-annual annuities without any material deduction.

Rewari Ateli Highway Pvt. Ltd (RA)
This is the 30.5 km Rewari-Ateli section of NH-11 in Haryana operating on HAM basis. The project has track record of timely receiving 6 semi-annual annuities without any material deduction.

Rewari Bypass Pvt. Ltd (RB)
This is the 14.4 km Rewari bypass section of NH-11 in Haryana operating on HAM basis. The project has track record of timely receiving 3 semi-annual annuities without any material deduction.

Swarna Tollway Pvt. Ltd (STPL)
It has two stretches – 110.8 km Tada-Nellore section of NH-16 and 48.0 km Nandigama to Ibrahimpatnam section of NH-65 – in the state of Andhra Pradesh. It achieved COD in July 2005. Traffic registered CAGR of 4.1% for Tada-Nellore section and 4.4% for Nandigama to Ibrahimpatnam section between fiscals 2019 and 2024. The stretch has no alternate routes.

Gujarat Road and Infrastructure Co Ltd (GRICL)
It has two stretches – 51.6 km Ahmedabad-Mehsana section of SH-41 and 31.7 km Vadodara-Halol section of SH-87 – in the state of Gujarat. It achieved COD in July 2005. Traffic registered CAGR of 7.0% for Ahmedabad-Mehsana section and 10.0% for Vadodara-Halol section between fiscals 2019 and 2024. The stretch has no alternate routes.

Bangalore Elevated Tollway Pvt. Ltd (BETPL)
It is a four lane 24.7 km elevated road from Silk Board Junction to Attibele section of NH-7 in the state of Karnataka. It achieved COD in June 2011. Traffic registered CAGR of 0.5% between fiscals 2019 and 2024. The stretch has no alternate routes. The asset was acquired by the trust in June 2024.

North Telangana Expressway Pvt. Ltd (NTEPL)
TOT-16 is a 252 km section of north-south corridor between Nagpur and Hyderabad which is a part of national highway (NH) 44. NHAI has awarded this TOT bundle under a 20-year concession for an upfront concession fee of Rs 6,661 crore and the appointed date for the same is February 14, 2025. The traffic growth on the project stretch is healthy with a compounded annual growth rate of 12.8% in the last five fiscals through fiscals 2024.

HIT has added two road SPVs in its portfolio in February 2025 – a) one HAM project, Rewari Bypass, of H.G. Infra Engineering Ltd, and b) a TOT-16 (started collecting toll from February 14, 2025) in the state of Telangana awarded by NHAI in September 2024.

In January 2024, HIT executed a share purchase agreement (SPA) with PNC for acquisition of 100% shareholding in 11 HAM SPVs and a toll SPV owned by PNC. The target portfolio comprises road projects with around 3,800 lane km across the states of Rajasthan, Uttar Pradesh, Madhya Pradesh and Karnataka. The HAM projects have concessions from NHAI, while the toll project has a concession from Uttar Pradesh State Highways Authority (UPSHA). All the 12 projects are operational as on date and the acquisition shall be completed upon receipt of requisite approvals from project authorities (NHAI and UPSHA) in this fiscal.

Also, 56.8% stake in GRICL owned by Macquarie group was acquired in January 2024, while 26.8% stake is yet to be acquired.

Key Financial Indicators (Crisil Ratings adjusted)

Particulars	Unit	2024	2023
Revenue	Rs.Crore	1,413	615
Profit After Tax (PAT)	Rs.Crore	(201)	34
PAT Margin	%	(14.2)	5.6
Adjusted debt/adjusted networth	Times	1.18	3.37
Adjusted interest coverage	Times	2.55	1.97

Any other information:

Key covenants for Rs 800 crore rupee term loan 1 and Rs 650 crore NCDs

Financial covenants	• Minimum DSCR of 1.35 times, to be tested annually • Debt to be less than the aggregate of i) 55% of EV of toll SPVs, and ii) 70% of EV of annuity/HAM SPVs The breach of any of the financial covenants will lead to 'event of default'
Cash trap	Annual DSCR below 1.40 times will trigger cash trap

Key covenants for Rs 1900 crore rupee term loan 2

Financial covenants	• Minimum DSCR of 1.30 times, to be tested annually • Debt to be less than the aggregate of i) 55% of EV of toll SPVs, and ii) 70% of EV of annuity/HAM SPVs The breach of any of the financial covenants will lead to 'event of default'

Key covenants for Rs 4950 crore rupee term loan 3 and Rs 3300 crore rupee term loan 4

Financial covenants	• Minimum DSCR of 1.25 times, to be tested annually • Debt to be less than the aggregate of i) 55% of EV of toll SPVs, and ii) 70% of EV of annuity/HAM SPVs The breach of any of the financial covenants will lead to 'event of default'

Note on complexity levels of the rated instrument:

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Commercial Paper	NA	NA	7 to 365 Days	275.00	Simple	Crisil A1+
INE0KXY07018	Non Convertible Debentures	23-Sep-22	7.81	22-Dec-25	400.00	Simple	Crisil AAA/Stable
INE0KXY07026	Non Convertible Debentures	23-Sep-22	8.25	22-Sep-29	250.00	Simple	Crisil AAA/Stable
NA	Non Convertible Debentures#	NA	NA	NA	680.00	Simple	Crisil AAA/Stable
NA	Non Convertible Debentures#	NA	NA	NA	220.00	Simple	Crisil AAA/Stable
INE0KXY07034	Non-convertible debentures	18-Jan-24	8.34	18-Jan-27	500.00	Simple	Crisil AAA/Stable
NA	Term Loan	NA	NA	31-Mar-36	800.00	NA	Crisil AAA/Stable
NA	Term Loan	NA	NA	30-Jun-40*	1900.00	NA	Crisil AAA/Stable
NA	Term Loan	NA	NA	31-Dec-41	3300.00	NA	Crisil AAA/Stable

NA	Term Loan	NA	NA	31-Mar-40	4950.00	NA	Crisil AAA/Stable

**The maturity extended from March 2036 with the grant of concession extension for GEPL*
#Proposed NCDs not yet placed

Annexure - List of Entities Consolidated

Name of company	Type of consolidation	Rationale for consolidation
Jodhpur Pali Expressway Pvt. Ltd	Full consolidation	100% subsidiaries
Godhra Expressways Pvt. Ltd		
Dewas Bhopal Corridor Pvt. Ltd		
Ulundurpet Expressways Pvt. Ltd		
Nirmal BOT Private Ltd		
Shillong Expressway Pvt. Ltd		
Udupi Tollway Pvt. Ltd		
Ateli Narnaul Highway Pvt. Ltd		
Gurgaon Sohna Highway Pvt. Ltd		
Rewari Ateli Highway Pvt. Ltd		
Rewari Bypass Pvt. Ltd		
North Telangana Expressway Pvt. Ltd		
Bangalore Elevated Tollway Pvt. Ltd		
Swarna Tollway Pvt Ltd		
Gujarat Road and Infrastructure Co Ltd		56.8% subsidiary with operational and management control

Annexure - Rating History for last 3 Years

	Current			2025 (History)		2024		2023		2022		Start of 2022
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	10950.0	Crisil AAA/Stable	16-04-25	Crisil AAA/Stable	10-12-24	Crisil AAA/Stable	28-12-23	Crisil AAA/Stable	22-09-22	Crisil AAA/Stable	--
			--	10-01-25	Crisil AAA/Stable	01-10-24	Crisil AAA/Stable	01-12-23	Crisil AAA/Stable	07-09-22	Provisional Crisil AAA/Stable	--
			--		--	10-09-24	Crisil AAA/Stable	23-10-23	Crisil AAA/Stable	11-03-22	Provisional Crisil AAA/Stable	--
			--		--	24-01-24	Crisil AAA/Stable	29-08-23	Crisil AAA/Stable		--	--
			--		--	04-01-24	Crisil AAA/Stable	08-08-23	Crisil AAA/Stable		--	--
			--		--		--	12-05-23	Crisil AAA/Stable		--	--
			--		--		--	11-04-23	Crisil AAA/Stable		--	--
Commercial Paper	ST	275.0	Crisil A1+	16-04-25	Crisil A1+	10-12-24	Crisil A1+	28-12-23	Crisil A1+		--	--
			--	10-01-25	Crisil A1+	01-10-24	Crisil A1+	01-12-23	Crisil A1+		--	--
			--		--	10-09-24	Crisil A1+	23-10-23	Crisil A1+		--	--
			--		--	24-01-24	Crisil A1+		--		--	--
			--		--	04-01-24	Crisil A1+		--		--	--
Non Convertible Debentures	LT	2050.0	Crisil AAA/Stable	16-04-25	Crisil AAA/Stable	10-12-24	Crisil AAA/Stable	28-12-23	Crisil AAA/Stable	22-09-22	Crisil AAA/Stable	--
			--	10-01-25	Crisil AAA/Stable	01-10-24	Crisil AAA/Stable	01-12-23	Crisil AAA/Stable	07-09-22	Provisional Crisil AAA/Stable	--
			--		--	10-09-24	Crisil AAA/Stable	23-10-23	Crisil AAA/Stable	11-03-22	Provisional Crisil AAA/Stable	--
			--		--	24-01-24	Crisil AAA/Stable	29-08-23	Crisil AAA/Stable		--	--
			--		--	04-01-24	Crisil AAA/Stable	08-08-23	Crisil AAA/Stable		--	--
			--		--		--	12-05-23	Crisil AAA/Stable		--	--
			--		--		--	11-04-23	Crisil AAA/Stable		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Term Loan	700	India Infrastructure Finance Company Limited	Crisil AAA/Stable
Term Loan	1000	India Infrastructure Finance Company Limited	Crisil AAA/Stable
Term Loan	500	HDFC Bank Limited	Crisil AAA/Stable
Term Loan	500	IndusInd Bank Limited	Crisil AAA/Stable
Term Loan	450	Axis Bank Limited	Crisil AAA/Stable
Term Loan	400	ICICI Bank Limited	Crisil AAA/Stable
Term Loan	1700	Punjab National Bank	Crisil AAA/Stable
Term Loan	400	State Bank of India	Crisil AAA/Stable
Term Loan	1900	State Bank of India	Crisil AAA/Stable
Term Loan	1400	Axis Bank Limited	Crisil AAA/Stable
Term Loan	900	ICICI Bank Limited	Crisil AAA/Stable
Term Loan	1100	Punjab National Bank	Crisil AAA/Stable

Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for REITs and InVITs
Criteria for consolidation
Criteria for Infrastructure sectors (including approach for financial ratios)

Media Relations	Analytical Contacts	Customer Service Helpdesk
Ramkumar Uppara Media Relations **Crisil Limited** M: +91 98201 77907 B: +91 22 6137 3000 ramkumar.uppara@crisil.com **Kartik Behl** Media Relations **Crisil Limited** M: +91 90043 33899 B: +91 22 6137 3000 **kartik.behl@crisil.com** **Divya Pillai** Media Relations **Crisil Limited** M: +91 86573 53090 B: +91 22 6137 3000 **divya.pillai1@ext-crisil.com**	Manish Kumar Gupta Senior Director **Crisil Ratings Limited** B:+91 22 6137 3000 manish.gupta@crisil.com Anand Kulkarni Director **Crisil Ratings Limited** B:+91 22 6137 3000 anand.kulkarni@crisil.com Shrikesh Narule Senior Rating Analyst **Crisil Ratings Limited** B:+91 22 6137 3000 Shrikesh.Narule@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 3850 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com

Note for Media:
This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to Crisil Ratings. However, Crisil Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About Crisil Ratings Limited (A subsidiary of Crisil Limited, an S&P Global Company)

Crisil Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

Crisil Ratings Limited ('Crisil Ratings') is a wholly-owned subsidiary of Crisil Limited ('Crisil'). Crisil Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About Crisil Limited

Crisil is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: TWITTER | LINKEDIN | YOUTUBE | FACEBOOK

CRISIL PRIVACY NOTICE

Crisil respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from Crisil. For further information on Crisil's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') provided by Crisil Ratings Limited ('Crisil Ratings'). For the avoidance of doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for use only within the jurisdiction of India. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as Crisil Ratings provision or intention to provide any services in jurisdictions where Crisil Ratings does not have the necessary licenses and/or registration to carry out its business activities. Access or use of this report does not create a client relationship between Crisil Ratings and the user.

The report is a statement of opinion as on the date it is expressed, and it is not intended to and does not constitute investment advice within meaning of any laws or regulations (including US laws and regulations). The report is not an offer to sell or an offer to purchase or subscribe to any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way.

Crisil Ratings and its associates do not act as a fiduciary. The report is based on the information believed to be reliable as of the date it is published, Crisil Ratings does not perform an audit or undertake due diligence or independent verification of any information it receives and/or relies on for preparation of the report. THE REPORT IS PROVIDED ON "AS IS" BASIS. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, CRISIL RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE. In no event shall Crisil Ratings, its associates, third-party

providers, as well as their directors, officers, shareholders, employees or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

The report is confidential information of Crisil Ratings and Crisil Ratings reserves all rights, titles and interest in the rating report. The report shall not be altered, disseminated, distributed, redistributed, licensed, sub-licensed, sold, assigned or published any content thereof or offer access to any third party without prior written consent of Crisil Ratings.

Crisil Ratings or its associates may have other commercial transactions with the entity to which the report pertains or its associates. Ratings are subject to revision or withdrawal at any time by Crisil Ratings. Crisil Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

Crisil Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For more detail, please refer to: https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html. Public ratings and analysis by Crisil Ratings, as are required to be disclosed under the Securities and Exchange Board of India regulations (and other applicable regulations, if any), are made available on its websites, www.crisilratings.com and https://www.ratingsanalytica.com (free of charge). Crisil Ratings shall not have the obligation to update the information in the Crisil Ratings report following its publication although Crisil Ratings may disseminate its opinion and/or analysis. Reports with more detail and additional information may be available for subscription at a fee. Rating criteria by Crisil Ratings are available on the Crisil Ratings website, www.crisilratings.com. For the latest rating information on any company rated by Crisil Ratings, you may contact the Crisil Ratings desk at crisilratingdesk@crisil.com, or at (0091) 1800 267 3850.

Crisil Ratings shall have no liability, whatsoever, with respect to any copies, modifications, derivative works, compilations or extractions of any part of this [report/ work products], by any person, including by use of any generative artificial intelligence or other artificial intelligence and machine learning models, algorithms, software, or other tools. Crisil Ratings takes no responsibility for such unauthorized copies, modifications, derivative works, compilations or extractions of its [report/ work products] and shall not be held liable for any errors, omissions of inaccuracies in such copies, modifications, derivative works, compilations or extractions. Such acts will also be in breach of Crisil Ratings' intellectual property rights or contrary to the laws of India and Crisil Ratings shall have the right to take appropriate actions, including legal actions against any such breach.

Crisil Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on Crisil Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: **https://www.crisilratings.com/en/home/our-business/ratings/credit-ratings-scale.html**

ANNEXURE 2

IN PRINCIPLE APPROVAL GRANTED BY THE STOCK EXCHANGE

ANNEXURE 3

CONSENT OF THE REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
CIN: U67190MH1999PTC118368
Registered Address:
C-101, 1st Floor, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083.
Tel: +91 22 4918 6000
Website: www.in.mpms.mufg.com

May 19, 2025

To
Highways Infrastructure Trust
Unit No. 601-602, 6th Floor,
Windsor House, Off CST Road,
Kalina, Santacruz East,
Mumbai 400 098, Maharashtra

Dear Sir/Madam,

Sub.: Consent to act as Registrar to the Proposed issue of 90,000 Listed, rated, secured, redeemable, transferable, taxable, non-cumulative debentures of face value of INR 1,00,000 (Indian Rupees One Lakh Only) each for cash aggregating to INR 900,00,00,000 (Indian Rupees Nine Hundred crores only) to be issued on private placement basis.

We refer to the subject issue and hereby accept our appointment as "Registrar" for Electronic Connectivity Provider to issue of 90,000 Listed, rated, secured, redeemable, transferable, taxable, non-cumulative debentures of face value of INR 1,00,000 (Indian Rupees One Lakh Only) each for cash aggregating to INR 900,00,00,000 (Indian Rupees Nine Hundred crores only) to be issued on private placement basis and give our consent to incorporate our name as Registrar to the Issue in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For MUFG Intime India Private Limited

Ganesh Jadhav
Senior Associate Vice President-Depository Operations

ANNEXURE 4

CONSENT OF THE TRUSTEE

CATALYST
Believe in yourself... Trust us!

CL/DEB/25-26/272 **Date : 20-May-2025**

To,
Rahul Nadkarni,
Highways Infrastructure Trust,
6th floor, Unit No.601-602, Windsor House,,
Off CST Road, Kalina, Santacruz East,,
Mumbai,
Maharashtra,
India 400098.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 900.00 Crores

We refer to your letter dated , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

Name : Suyash Sawant

Designation : Assistant Manager

Annexure A

Fee Structure for transaction CL/DEB/25-26/272

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 350,000.00
Annually Trusteeship Fees(Amount/Percentage)	₹ 300,000.00

Annually Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Catalyst Trusteeship Limited

Name : Suyash Sawant

Designation : Assistant Manager

We accept the above terms.

For Highways Infrastructure Trust

HIGHWAYS INFRASTRUCTURE TRUST

Name : RAHUL NADKARNI

Designation : AUTHORIZED SIGNATORY

ANNEXURE 5

FINANCIAL POSITION OF THE ISSUER

(Annual Report for FY 22-23 and FY 23-24 along with audited financial statements for the financial year ended March 31, 2025)

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report

To the Unitholders' of Highways Infrastructure Trust

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Highways Infrastructure Trust ('the Trust'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Unit Holders equity for the year then ended, the Standalone Statement of Net Assets at Fair Value as at 31 March 2025, the Standalone Statement of Total Returns at Fair Value and the Standalone Statement of Net Distributable Cash Flows for the year then ended, and notes to the standalone financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (hereinafter referred to as 'SEBI Master Circular') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in unitholder's equity for the year ended on that date, the net assets at fair value as at 31 March 2025, the total returns at fair value and net distributable cash flows for the year ended as on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2025 (Cont'd)

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Impairment assessment of non-current investments in and loans given to subsidiaries Refer note 2.2(f) for material accounting policy information and note 2,4,8,11 and note 27 for the related disclosures in the standalone financial statements. The Trust has aggregate investment in equity instruments of subsidiaries of ₹ 41,260.65 millions, net of provisions for impairment of ₹ 10,690.15 millions, carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27'), investment in preference shares and optionally convertible debentures (OCDs) aggregating to ₹ 671.02 millions and loans given to subsidiaries amounting to ₹ 114,182.74 millions outstanding as at 31 March 2025 carried at amortised cost in accordance with Ind AS 109, Financial Instruments ('Ind AS 109'). The Trust has assessed impairment of these investments and loans since recoverability of the investments and loans is significantly dependent upon valuations of the assets held and cash flow projections of these investee companies. The recoverable amount of the aforesaid investments in and loans given to subsidiaries has been determined by the management using discounted cash flow ('DCF') valuation method. The key assumptions underpinning management's assessment of the recoverable amounts includes but are not limited to projections of future cash flows, revenue growth rates, external market conditions and the discount rates, which involves estimation and significant management judgment. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the carrying value of such assets.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of the Trust's policies and procedures to identify impairment indicators for investments and loans, and process for fair valuation of investments and loans; b) Evaluated the design of key controls implemented for identification of impairment indicators, and for fair valuation of investments and loans including controls around cash flow projections; c) Verified underlying supporting documents for all significant investments made and loans given during the year to ensure that the transaction have been accurately recorded in the standalone financial statements in accordance with Ind AS 27 and Ind AS 109, as applicable; d) Assessed the objectivity, capabilities and competency of the management's experts involved for performing required valuations to estimate the recoverable amount of the investment in and loans given to subsidiaries; e) Involved an auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of assumptions used by management's expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); f) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager of the Trust considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs);



Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
Accordingly, considering the materiality, complexity and significance of judgement involved, impairment assessment of investments in and loans given to subsidiaries has been considered as a key audit matter for the current year audit.	g) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; h) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; i) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and j) Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in relation to impairment of non-current investments in and loans given to subsidiaries, in accordance with the requirement of the applicable accounting standards.
B. Computation and disclosures in Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value ("the statement") as per SEBI Regulations Refer the statements disclosed in the accompanying standalone financial statements pursuant to SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (as amended) ('SEBI Master Circular') issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions. Considering the importance of the disclosure required under the SEBI Regulations to the users of the standalone financial statements, significant management judgement involved in determining the fair value of the assets of the Trust, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI Master circular, pursuant to which the Statements are prepared by the Investment Manager of the Trust; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager of the Trust for computation and disclosure of the Statements; c) Assessed the objectivity, capabilities and competency of the management's experts involved for performing required valuations to estimate the fair value; d) Involved an auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of assumptions applied by management's expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager of the Trust considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs);

Key audit matter	How our audit addressed the key audit matter
	f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Information other than the Financial Statements and Auditor's Report thereon

6. The Board of Directors of the Highway Concessions One Private Limited ("Investment Manager of the Trust") are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Investment Manager of the Trust and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Board of Directors Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the matters with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, statement of cash flows, changes in unitholders' equity, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Master Circular. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2025 (Cont'd)

8. In preparing the standalone financial statements, the Board of Directors of Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors of Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing issued by the ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;

    - Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and

    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance of the Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2025 (Cont'd)

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

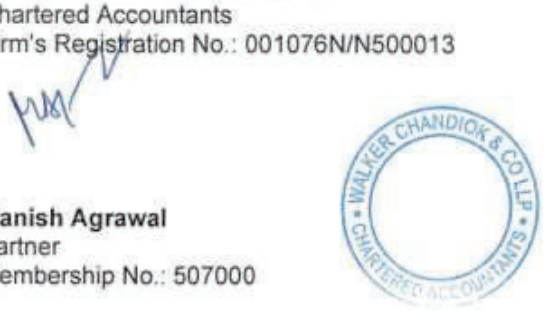
15. Based on our audit, and as required by the SEBI Regulations, we report that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) the Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust; and

c) in our opinion, the aforesaid standalone financial statements comply with Ind AS.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Manish Agrawal
Partner
Membership No.: 507000

UDIN: 25507000BMMKPT8428

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Standalone Balance Sheet as at 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Financial assets			
Investments	3	41,382.62	52,665.68
Loans	4	1,06,999.06	35,685.92
Other financial assets	5	0.50	0.50
Non-current tax assets (net)	6	2.10	-
Other non-current assets	7	45.59	55.13
Total non-current assets		**1,48,429.87**	**88,407.23**
Current assets			
Financial assets			
Investments	8	549.05	174.91
Cash and cash equivalents	9	222.83	461.18
Bank balances other than cash and cash equivalents	10	1,163.91	953.02
Loans	11	7,183.68	2,212.06
Other current assets	12	98.06	9.60
Total current assets		**9,217.53**	**3,810.77**
Total assets		**1,57,647.40**	**92,218.00**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	13	1,28,610.63	68,590.00
Other equity	14	(18,958.72)	(12,771.18)
Total equity		**1,09,651.91**	**55,818.82**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	40,580.80	32,460.75
Deferred tax liabilities	16	0.56	-
Total non-current liabilities		**40,581.36**	**32,460.75**
Current liabilities			
Financial liabilities			
Borrowings	17	7,279.87	3,177.65
Trade payables	18		
a) Total outstanding dues of micro enterprises and small enterprises; and		1.78	3.96
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		20.08	138.41
Other financial liabilities	19	99.23	584.11
Other current liabilities	20	13.17	26.09
Current tax liabilities (net)	21	-	8.21
Total current liabilities		**7,414.13**	**3,938.43**
Total liabilities		**47,995.49**	**36,399.18**
Total equity and liabilities		**1,57,647.40**	**92,218.00**

Summary of material accounting policy information 2
The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07641366

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Abhishek Chhajer
Chief Financial Officer

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Standalone Statement of Profit and Loss (including other comprehensive income) for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income and gains			
Revenue from operations			
Dividend income from subsidiaries		9,697.20	1,576.22
Interest income from subsidiaries	22	7,300.48	3,487.69
Other Income			
Interest on bank deposit		77.38	151.53
Profit on sale of investments	23(a)	112.71	5.90
Others	23(b)	62.37	2.56
Total income and gains		**17,250.14**	**5,223.90**
Expenses and losses			
Finance costs			
Interest on borrowings	24(a)	3,085.68	1,725.43
Other finance costs	24(b)	1.76	1.22
Valuation expenses		2.70	3.12
Audit fees	25	26.56	25.21
Insurance expense		9.48	1.82
Investment manager fees	43	70.43	74.64
Trustee fees		3.09	3.81
Rating fees		15.83	18.97
Legal and professional fees		104.21	368.54
Other expenses	26	25.82	19.75
Total expenses and losses		**3,345.56**	**2,242.51**
Profit before exceptional items and tax for the year		**13,904.58**	**2,981.39**
Exceptional items	27	(4,885.08)	(4,964.79)
Profit/(loss) before tax		**9,019.50**	**(1,983.40)**
Tax expense			
Current tax	28	37.40	67.49
Deferred tax charge	28	0.56	-
Total tax expense		**37.96**	**67.49**
Profit/(loss) for the year		**8,981.54**	**(2,050.89)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		**8,981.54**	**(2,050.89)**
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)	29		
Basic (₹)		9.67	(4.10)
Diluted (₹)		9.67	(4.10)
Summary of material accounting policy information	2		

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Profit and loss (including Other comprehensive income) referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner

Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO

DIN: 07641366

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

Gaurav Chandna
Executive Director and Joint CEO

DIN: 10312924

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Standalone Statement of Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flows from operating activities		
Profit/(loss) before tax	**9,019.50**	**(1,983.40)**
Adjustments for:		
Gain on sale of investments in mutual funds (net)	(111.27)	(5.90)
Gain on investments measured at fair value through profit or loss	(1.44)	-
Interest on compulsory convertible debentures ("CCD's")	(61.89)	-
Interest on rupee term loan ("RTL")	(7,167.89)	(2,742.37)
Interest on optionally convertible debenture ("OCD's")	(70.70)	(745.32)
Dividend income from subsidiaries	(9,697.20)	(1,576.22)
Exceptional items (refer note 27)	4,885.08	4,964.79
Loss on reduction of investment in equity	-	8.44
Liabilities no longer required written back	(3.84)	(2.56)
Interest income on bank deposits	(78.53)	(151.53)
Finance costs	3,087.44	1,726.65
Operating loss before working capital changes and other adjustments	**(200.74)**	**(507.42)**
Working capital changes and other adjustments:		
Other financial assets	-	(0.50)
Other current and non-current assets	(78.92)	(61.71)
Trade payables	(116.66)	90.48
Other current liabilities	(12.92)	9.66
Cash used in operating activity post working capital changes	**(409.24)**	**(469.49)**
Income tax paid (net)	(47.71)	(58.12)
Net cash used in operating activities (A)	**(456.95)**	**(527.61)**
B. Cash flows from investing activities		
Loan given to the subsidiaries	(66,404.01)	(26,677.30)
Investment in equity shares of subsidiaries	(5,259.66)	(29,134.86)
Proceeds from loan given to subsidiaries	4,957.00	3,019.22
Proceeds from redemption of OCD's of subsidiaries (refer note 3 (ii))	2,837.58	6,853.70
Proceeds from maturity of bank deposits	-	70.51
Investment in bank deposits	(210.89)	-
Redemption of preference shares	49.01	97.64
Interest received on OCD's and CCD's	646.87	981.70
Interest received on RTL	4,003.02	2,122.75
Dividend received from subsidiaries	9,697.20	1,576.22
Interest received on bank deposits	78.53	104.43
Investment in mutual funds (net)	(292.29)	-
Gain on sale of investments (net)	111.27	5.90
Net cash used in investing activities (B)	**(49,786.37)**	**(40,980.09)**
C. Cash flows from financing activities		
Proceeds from issue of unit capital	56,038.29	27,040.00
Proceeds from borrowings	19,047.37	21,818.05
Repayment of borrowings	(7,023.88)	(377.66)
Processing fees	(59.29)	(158.74)
Units issue expenses	(8.39)	(51.65)
Distribution made to unitholders	(15,160.69)	(4,953.52)
Interest paid	(2,828.44)	(1,613.14)
Net cash flow from financing activities (C)	**50,004.97**	**41,703.34**





Highways Infrastructure Trust
Standalone Statement of Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(238.35)**	**195.64**
E. Cash and cash equivalents at the beginning of the year	461.18	265.54
Cash and cash equivalents at the end of the year (D+E) (refer note 9)	**222.83**	**461.18**
Non-cash financing and investing activities		
Settlement of a purchase consideration through the issue of units	119.08	-
Settlement of aseet acquired through the issue of units	3,863.26	-

Note:
The above cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Cash flow statement referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint
DIN: 07641366

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

Gaurav Chandna
Executive Director and
DIN: 10312924

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust

Standalone Statement of Net Assets at Fair Value and Total Return at Fair Value as at 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

A. Standalone Statement of Net Assets at Fair Value

	As at 31 March 2025		As at 31 March 2024	
Particulars	Book value	Fair value^	Book value	Fair value^
A. Assets	1,57,647.40	1,89,882.50	92,218.00	1,00,107.11
B. Liabilities (at book value)	47,995.49	47,995.49	36,399.18	36,399.18
C. Net assets (A-B)	1,09,651.91	1,41,887.01	55,818.82	63,707.93
D. No of units (in millions)	1,509.98	1,509.98	746.89	746.89
E. NAV (C/D)	72.62	93.97	74.74	85.30

^ Fair values of total assets relating to the Trust as at 31 March 2025 as disclosed above are based on the fair valuation report of the independent valuer appointed by the Trust.

Notes:

Project wise breakup of fair value of assets

Particulars	Fair value as at 31 March 2025*	Fair value as at 31 March 2024*
Highways Infrastructure Trust ("Trust")	1,17,243.62	38,625.06
Dewas Bhopal Corridor Private Limited ("DBCPL")	15,302.25	13,676.88
Nirmal BOT Private Limited ("NBPL") (formerly known as 'Nirmal BOT Limited')	134.75	126.07
Jodhpur Pali Expressway Private Limited ("JPEPL")	294.11	-
Godhra Expressways Private Limited ("GEPL")	17,724.29	12,439.36
Ulundurpet Expressways Private Limited ("UEPL")	1,775.27	3,507.26
Shillong Expressway Private Limited ("SEPL")	8.48	105.03
Udupi Tollway Private Limited ("UTPL") (formerly known as 'Navyuga Udupi Tollway Private Limited')	1,440.03	377.51
Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as 'HG Ateli Narnaul Highway Private Limited')	434.78	1,815.68
Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as 'HG Rewari Ateli Highway Private Limited')	208.58	550.97
Gurgaon Sohna Highway Private Limited ("GSHPL")	172.63	713.84
Gujarat Road and Infrastructure Company Limited ("GRICL")	10,018.73	9,096.20
Swarna Tollway Private Limited ("STPL")	7,654.24	19,073.25
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f.12 June 2024	1,592.27	-
North Telangana Expressway Private Limited ("NTEPL") w.e.f. 14 October 2024	14,286.41	-
Rewari Bypass Private Limited ("RBPL") (formerly known as 'HG Rewari Bypas Private Limited') w.e.f. 20 February 2025	1,592.06	-
Total fair value	**1,89,882.50**	**1,00,107.11**

Note:

1) Fair value of assets of Highways Infrastructure Trust ("Trust") as disclosed above includes loans advances to respective SPVs and other assets at the Trust level which are included in the audited standalone financial statements.

2) Fair value of assets of SPVs as disclosed above represents the fair value of equity of respective SPVs.

B. Standalone Statement of Total Return at Fair Value:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Total comprehensive income for the year (As per the Standalone Statement of Profit and Loss)	8,981.54	(2,050.89)
Add: Other changes in fair value for the year *	17,875.81	46,848.93
Total return	**26,857.35**	**44,798.04**

*In the above statement, other changes in fair value for the financial year ended 31 March 2025 has been computed based on the difference in fair values of total assets of the Project SPVs as at 31 March 2025 and as at 31 March 2024 (except for Bangalore Elevated Tollway Private Limited, North Telangana Expressway Private Limited, and Rewari Bypass Private Limited which is based on the difference between the fair value of total assets as at 31 March 2025 and as at resepective acquisition/takeover date, which is primarily based on the valuation report of the independent valuer.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Net Assets at Fair Value and Standalone Statement of Total Return at Fair Value referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07641366

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

Gaurav Chandna
Executive Director
and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Statement of Changes in Unit holder's Equity for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

A Unit capital*

Particulars	Number of units	Amount
Balance as at 01 April 2023	**41,55,00,000.00**	**41,550.00**
Changes in unit capital^	33,13,85,834	27,040.00
Balance as at 31 March 2024	**74,68,85,834.00**	**68,590.00**
Changes in unit capital^	76,30,98,164	60,020.63
Balance as at 31 March 2025	**1,50,99,83,998**	**1,28,610.63**

^ (refer note 13)

B Other equity**

Particulars	Retained earnings	Total
Balance as at 01 April 2023	**(5,715.12)**	**(5,715.12)**
Net loss for the year	(2,050.89)	**(2,050.89)**
Other comprehensive income	-	-
Total comprehensive income for the year	**(2,050.89)**	**(2,050.89)**
Less: Distribution to unitholders^	(4,953.52)	**(4,953.52)**
Less: Units issue related expenses#	(51.65)	**(51.65)**
Balance as at 31 March 2024	**(12,771.18)**	**(12,771.18)**
Net profit for the year	8,981.54	**8,981.54**
Other comprehensive income	-	-
Total comprehensive income for the year	**8,981.54**	**8,981.54**
Less: Distribution to unitholders^	(15,160.69)	**(15,160.69)**
Less: Units issue related expenses#	(8.39)	**(8.39)**
Balance as at 31 March 2025	**(18,958.72)**	**(18,958.72)**

^ Pertains to the distributions made during the FY 2024-25 along with the distribution related to the last quarter of FY 2023-24 and does not include the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (SEBI Regulations) and includes interest, dividend and repayment of capital.

Unit issue related expenses are expenses incurred in relation to the right Issue and preference issue of units by the Trust.
* refer note 13
** refer note 14

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07661366

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Standalone Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cashflows from operating activities of the Trust (A)	**(456.95)**	**(527.61)**
Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	17,146.26	13722.29
Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	189.80	110.34
Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss Account and any shareholder debt / loan from Trust	(3,138.79)	(1,823.54)
Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(431.32)	(377.66)
Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	108.82	(42.88)
Total adjustments at the Trust level (B)	**13,874.77**	**11,588.55**
Net distributable cash flows before amount retained by Trust as per SEBI guidelines (C =A+B)	**13,417.82**	**11,060.94**
Amount retained by the Trust (D)	**(354.87)**	**196.58**
Net distributable cash flows (E)=(C+D)	**13,062.95**	**11,257.52**

Notes:

1 Finance cost on borrowings includes interest paid on unsecured commercial papers ₹ 242.67 millions, interest paid on term loan and non convertible debentures ₹ 2,828.44 millions, processing fees related to borrowings ₹ 59.29 millions and issue expenses relating to preferential allotment of units ₹ 8.39 millions, these issue related expenses which are disclosed under other equity.

2 During the year ended 31 March 2025, proceeds from right issue of units by the Trust to the extent of ₹ 97.86 millions were used for repayment of external debt. Such utilisation is in the nature of refinancing from funds raised through issuance of units and ₹ 994.70 millions received as repayment of unsecured loan from the SPV (outside the NDCF) which was given for Major maintenance related work and has been excluded in above computation of NDCF, thus the repayment of external debt is represented as ₹ 431.32 millions which is ₹ 1,523.88 millions less ₹ 97.86 millions, and less ₹ 994.70 millions.

3 In NBPL, distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

4 In UTPL, distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till ended 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 33.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

5 In RAHPL, the distribution till December 2024, was ₹ 587.00 millions against the NDCF till 31 December 20224 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

6 For the calculation of debt repayment at the Trust level, Trust has not considered the repayment of commercial papers amounting to ₹ 5,500.00 millions which got refinanced through issue of unsecured commercial papers (refer note 55) for an amount of ₹ 5,257.33 millions.

7 During the current year ended 31 March 2025, the Trust has release fund from Debt Service Reserve Account ("DSRA") ₹ 112.22 millions, and the same has been reflected in reserve. Additionally, the Trust has created DSRA of ₹ 312.10 millions, out of which ₹ 308.71 millions was funded through debt thus not considered in NDCF calculation

8 The distribution has been computed for the year ended 31 March 2025, it includes the opening cash and bank balances available for distribution and does not included any amount from the loans raised by the Trust/Company during the period.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Standalone Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

9 Distribution upto nine month ended 31 December 2024 was in compliance with SEBI regulations maintaining minimum 90% distribution of NDCF. However there was no annuity receipt during quarter ended 31 March 2025 and major maintenance expenses are largely incurred in quarter ended 31 March 2025 (refer note no 3, note no 4 and note no 5 above), the NDCF for quarter ended 31 March 2025 turned negative and impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 67.83 millions, which will be held at the Trust level and will not be distributed to unitholders.

10 As per SEBI regulation, the Trust has to distribute minimum 90% of NDCF to its unitholders. Accordingly, the Trust has retained ₹ 354.87 millions from NDCF to meet 90% threshold. Out of this retained amount ₹ 91.10 millions used for on-lending to SPV's as temporary cash support which is not deductible as per the revised format of NDCF framework defined under SEBI Regulations. Thus, cash and cash equivalent available with the Trust as of 31 March, 2025 is ₹ 263.77 millions.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Statement of Net Distributable Cash Flows referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner

Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO

DIN: 07641366

Gaurav Chandna
Executive Director and Joint CEO

DIN: 10312924

Abhishek Chhajer
Chief Financial Officer

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

1. Trust Information

The Trust is an irrevocable trust settled by Galaxy Investments II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulation 2014 as amended from time to time ("SEBI Regulations") and Trust got it units listed on National Stock Exchange of India ("NSE") w.e.f. 25 August 2022. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager is Highway Concessions One Private Limited (the "Investment Manager").

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/ subsidiaries").

The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at 31 March 2025	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	22 August 2022	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	22 August 2022	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	22 August 2022	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	22 August 2022	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	22 August 2022	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)	100%	22 August 2022	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)
Udupi Tollway Private Limited ('UTPL') formerly known as Navayuga Udupi Tollway Private Limited)	100%	01 November 2023	04 December 2009	Karnataka	30 January 2017	National Highways Authority of India (NHAI)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

Name of Project SPV	Extent of Control as at 31 March 2025	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited)	100%	21 November 2023	08 April 2019	Haryana	15 November 2021	National Highways Authority of India (NHAI)
Gurgaon Sohna Highway Private Limited ('GSHPL')	100%	21 November 2023	06 April 2018	Haryana	25 February 2022	National Highways Authority of India (NHAI)
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited)	100%	21 November 2023	04 April 2019	Haryana	11 March 2022	National Highways Authority of India (NHAI)
Swarna Tollway Private Limited ('STPL')	100%	24 January 2024	11 May 2001	Andhra Pradesh	21 May 2004 and 12 September 2004	National Highways Authority of India (NHAI)
Gujarat Road And Infrastructure Company Limited ('GRICL')	56.80%	24 January 2024	02 June 1999	Gujarat	24 October 2000 and 20 February 2003	Government of Gujarat (GOG)
North Telangana Expressway Private Limited ('NTEPL')	100%	15 October 2024	14 October 2024	Telangana	14 February 2025	National Highways Authority of India (NHAI)
Rewari Bypass Private Limited ('RBPL') (formerly known as H.G. Rewari Bypass Private Limited)	100%	20 February 2025	01 May 2020	Haryana	23 May 2023	National Highways Authority of India (NHAI)
Bangalore Elevated Tollway Private Limited ('BETPL')	100%	12 June 2024	26 December 2005	Karnataka	06 April 2010	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is 601/602 6th floor Windsor House, off CST Road, Kalina, Santacruz (East), Mumbai 400098. The standalone financial statements were authorized for issue in accordance with resolution passed by the Audit Committee and Board of Directors of the Investment Manager on 16 May 2025.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

2.1.(A) Standards issued but not yet effective

The Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is amendment to Ind AS 21 "Effects of Changes in Foreign Exchange Rates" such amendments would have been applicable from 01 April 2025.

The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for the period on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.

The Trust has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have a significant impact on the Trust's Standalone Financial Statements.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Trust has applied the following amendments for the first time during the current year which are effective from 01 April 2024.

Amendments to Ind AS 116 - Lease liability in a sale and leaseback
The amendments require an entity to recognise lease liability, including variable lease payments which are not linked to the index or a rate in a way it does not result into gain on Right of Use asset it retains.

Ind AS 117 – Insurance Contracts
MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurements and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Trust has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have a significant impact on the Trust's Standalone Financial Statements.

2.2. Summary of material accounting policy information

a. Overall consideration

The standalone financial statements have been prepared using the material accounting policy information and measurement bases summarized below. These were used throughout all periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements of the Trust have been prepared in accordance with the Indian Accounting Standards as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principle generally accepted in India and Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("SEBI Regulations") including Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (as amended) (hereinafter referred to as "SEBI Master Circular"). The Trust has uniformly applied the accounting policies during the periods presented.

The Standalone financial statements are presented in India Rupees which is also the functional currency of the Trust and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The standalone financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the "Investment Manager") on 16 May 2025. The revision to the financial statements is permitted by the Board of Directors of the Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities.

b. Use of estimates and judgements

The preparation of standalone financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the standalone financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

i. **Provisions and liabilities**
Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

ii. **Evaluation of indicators for impairment of assets**
The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

iii. **Recoverability of loans/ receivables**
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

iv. **Impairment of investments, loans, optionally convertible debentures and preference shares**
Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value, less costs of disposal and its value in use. The recoverable amounts for the investments, loans, optionally convertible debentures and preference shares are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

v. **Fair value measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Trust engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of investments are disclosed in the notes to standalone financial statements.

vi. **Fair valuation and disclosures**

SEBI Master Circular issued under the SEBI Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Weighted average cost of capital ('WACC'), tax rates, inflation rates etc. Changes in assumptions about these factors could affect the fair value.

vii. **Income taxes**

The Trust's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

viii. **Contingent liabilities**

The Trust is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Trust often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Trust accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

c. **Basis of classification as current and non-current**

The Trust presents assets and liabilities in the Standalone balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •
HIGHWAYS INFRASTRUCTURE TRUST

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Trust's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized:

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest is accrued on a time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividend Income

Income from dividend is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

Other operating income/other income

All other operating income/income is recognized on an accrual basis when no significant uncertainty exists on their receipt.

e. Provisions and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

f. Investments in subsidiaries

The Trust accounts for its investments in equity share capital of subsidiaries at cost less accumulated impairment losses, if any in accordance with Ind AS 27, Separate Financial Statements ("Ind AS 27") and investment in preference shares optionally convertible debentures (OCD's) at amortized cost in accordance with Ind AS 109 "Financial Instruments".

g. Financial instruments

Initial recognition and measurement

Financial instruments are recognised when the Trust becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and





- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Trust has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement
After initial recognition, the financial liabilities are subsequently measured at amortised cost using an effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are off-set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h. Fair value measurement

The Trust measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer note 34 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as investments where required. Involvement of external valuers is decided by the Trust on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Trust after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Trust analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the Trust verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value-related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (refer note 34)
- Financial instruments (including those carried at amortized cost) (refer note 35).

i. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Trust applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Trust in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Trust is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

j. Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

k. Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

l. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m. Net distributable cash flows to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the SEBI Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

n. Statements of net assets at fair value

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and book values of the total liabilities of the Trust. The fair value of the assets is reviewed by the management, derived based on the fair valuation reports issued by the independent valuer appointed under the SEBI regulations. The independent valuers are leading valuers with a recognized and relevant professional qualification as per SEBI regulations and valuation assumptions used are reviewed by the management at each balance sheet date.

o. Statement of total returns at fair value

The disclosure of total returns at fair value comprises of the Total Comprehensive Income as per the Statement of Profit and Loss. Other changes in fair value are derived based on the fair valuation reports issued by the independent valuer appointed under the SEBI regulations.

p. Unit holders equity and distribution

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' equity contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' equity could therefore have been classified as a compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Master Circular issued under the SEBI Regulations, the unitholders' equity have been classified as equity in order to comply with the mandatory requirements of SEBI Master Circular dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as a liability when the same is approved by the Investment Manager.

q. Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all potential dilutive units.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
AY

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024
3 Non-current investments		
Investment in equity instruments (unquoted, at cost)^		
Investment in related parties (refer note 32)		
96,855,983 (31 March 2024: 264,552,365) equity shares UEPL of face value of ₹ 10/- each*	1,100.15	3,004.95
31,500,000 (31 March 2024: 31,500,000) equity shares NBPL of face value of ₹ 10/- each	354.41	354.41
20,155,033 (31 March 2024: 20,155,033) equity shares GEPL of face value of ₹ 10/- each	9,626.39	9,626.39
95,263 (31 March 2024: 95,263) equity shares DBCPL of face value of ₹ 10/- each	12,355.00	12,355.00
500,000 (31 March 2024: 500,000) equity shares SEPL of face value of ₹ 10/- each	356.27	356.27
61,640 (31 March 2024: 61,640) equity shares JPEPL of face value of ₹ 10/- each	3,863.25	3,863.25
3,701,334 (31 March 2024: 3,701,334) equity shares UTPL of face value of ₹ 10/- each	196.05	196.05
27,853,104 (31 March 2024: 66,030,000) equity shares GSHPL of face value of ₹ 10/- each*	433.39	844.46
38,897,868 (31 March 2024: 95,211,000) equity shares ANHPL of face value of ₹ 10/- each*	617.51	1,511.49
19,171,745 (31 March 2024: 38,225,000) equity shares RAHPL of face value of ₹ 10/- each*	380.09	757.83
153,900,000 (31 March 2024: 270,000,000) equity shares STPL of face value of ₹ 10/- each*	11,825.17	20,745.90
31,500,955 (31 March 2024: 31,500,955) equity shares GRICL of face value of ₹ 10/- each	5,657.22	5,657.22
21,591,279 (31 March 2024: Nil) equity shares BETPL of face value of ₹ 10/- each	119.08	-
15,682 (31 March 2024: Nil) equity shares NTEPL of face value of ₹ 10/- each	3,350.10	-
1,438,065 (31 March 2024: Nil) equity shares RBPL of face value of ₹ 10/- each	1,422.99	-
Investment in Optionally Convertible Debentures unquoted, at cost ##		
Investment in related parties (refer note 32)		
50,941,358 (31 March 2024: 50,941,358) OCD's of GEPL of face value of ₹ 0.6356/- each	32.38	32.99
100,000 (31 March 2024: Nil) OCD's of RBPL of face value of ₹ 10/- each ###	1.00	-
32,202,939 (31 March 2024: Nil) OCD's of BETPL of face value of ₹ 100/- each	382.32	-
	52,072.77	**59,306.21**
Less: Impairment of non-current investments (refer note 27)	(10,690.15)	(6,640.53)
	41,382.62	**52,665.68**
Aggregate amount of unquoted investments	**52,072.77**	**59,306.21**
Aggregate amount of impairment in the value of investments	**10,690.15**	**6,640.53**

^ Investments in subsidiaries are stated at cost using the exemption provided as per Ind AS 27 'Separate Financial Statements'.

* During the year ended 31 March 2025, the National Company Law Tribunal (NCLT) has approved the capital reduction scheme of ANHPL, GSHPL, STPL, and RAHPL and the National Company Law Appelate Tribunal (NCLAT) has approved the capital reduction scheme of UEPL. As per the order, the paid-up equity share capital has reduced as mentioned below. The aforesaid share capital reduction was made at fair market valuation of equity shares, and the said consideration is presented as loan given to subsidiary in the standalone financial statements of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognised in the statement of profit or loss of the standalone financial statement of the Trust.

For the year ended 31 March 2025:

Name of the subsidiaries	Number of equity share capital		Number of shares reduced	Approving authority	Date of final order passed by approving authority	Date of ROC approval
	Pre capital reduction	Post capital reduction				
GSHPL	6,60,30,000	2,78,53,104	3,81,76,896	NCLT	14 August 2024	10 September 2024
ANHPL	9,52,11,000	3,88,97,868	5,63,13,132	NCLT	14 August 2024	10 September 2024
STPL	27,00,00,000	15,39,00,000	11,61,00,000	NCLT	21 November 2024	16 December 2024
UEPL	26,45,52,365	9,68,55,983	16,76,96,382	NCLAT	06 January 2025	24 January 2025
RAHPL	3,82,25,000	1,91,71,745	1,90,53,255	NCLT	18 February 2025	05 March 2025

For the year ended 31 March 2024:

Name of the subsidiaries	Number of equity share capital		Number of shares reduced	Approving authority	Date of final order passed by approving authority	Date of ROC approval
	Pre capital reduction	Post capital reduction				
GEPL	2,33,80,840	2,01,55,033	32,25,807	NCLT	12 June 2023	01 July 2023

These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

Includes interest accrued amounting to ₹ 0.02 millions on RBPL.

Notes:

(i) For assets pledged as security, refer note 38

(ii) During the current financial year ended 31 March 2025, the compulsorily convertible debentures (CCDs) has been converted into optionally convertible debentures (OCDs) having a term of 30 years from the original date of issue. The outstanding OCDs shall earn coupon at the rate of 14% p.a. payable annually or as may be mutually agreed between holder and issuer. Further, during the current year ended 31 March 2025, OCDs of BETPL were partialy redeemed.
During the previous financial year ended 31 March 2024, OCDs of GEPL (partialy) and JPEPL (fully) were redeemed.





4 Non-current loans

	As at 31 March 2025	As at 31 March 2024
(i) Loans receivables considered good - Secured		
Loan to related parties (refer note 32)		
NBPL	-	599.08
GEPL	3,988.57	3,983.65
DBCPL	1,900.94	2,460.94
JPEPL	2,429.89	2,430.05
UTPL	4,616.56	5,074.31
GSHPL	2,348.02	2,169.60
ANHPL	2,662.30	2,519.12
RAHPL	1,626.30	1,767.20
NTEPL	35,888.40	-
RBPL	1,697.70	-
(ii) Loans receivables considered good - Unsecured		
Loan to related parties (refer note 32)		
JPEPL	2,994.76	3,093.29
UEPL (refer note (iii) below)	685.79	-
DBCPL	600.14	600.14
GEPL (refer note (ii) below)	6,032.26	6,032.26
SEPL	-	227.47
NBPL	160.47	272.79
UTPL	3,483.89	3,236.01
ANHPL (refee note (iii) below)	892.00	283.32
RAHPL (refer note (iii) below)	392.74	190.20
STPL (refer note (iii) below)	7,682.46	1,115.34
BETPL	152.01	-
NTEPL	27,327.00	-
Total	**1,07,562.20**	**36,054.77**
Less: Impairment of loans given (refer note 27)	(563.14)	(368.85)
	1,06,999.06	**35,685.92**

Notes:

(i) Refer Note 34 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 35 - Financial risk management for assessment of expected credit losses)

(ii) For assets pledged as security, refer note 38

(iii) During the year ended 31 March 2025, the National Company Law Tribunal (NCLT) has approved the capital reduction scheme of ANHPL, GSHPL, STPL, and RAHPL and the National Company Law Appelate Tribunal (NCLAT) has approved the capital reduction scheme of UEPL. As per the order, the paid-up equity share capital has reduced as mentioned below. The aforesaid share capital reduction was made at fair market valuation of equity shares, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme.

For the year ended 31 March 2025:

Name of the subsidiaries	Capital Reduction loan amount			Approving authority	Date of final order passed by approving authority	Date of ROC approval
	Number of shares reduced (refer note 3)	Fair market value of an equity shares#	Amount of unsecured loan as at 31 March 2025 (Amount in ₹ millions)^			
GSHPL	3,81,76,896	11.08	423.00	NCLT	14 August 2024	10 September 2024
ANHPL	5,63,13,132	15.84	892.00	NCLT	14 August 2024	10 September 2024
STPL	11,61,00,000	71.75	8,330.18	NCLT	21 November 2024	16 December 2024
UEPL	16,76,96,382	11.33	1,900.00	NCLAT	06 January 2025	24 January 2025
RAHPL	1,90,53,255	16.90	322.00	NCLT	18 February 2025	05 March 2025

For the year ended 31 March 2024:

Name of the subsidiaries	Capital Reduction loan amount			Approving authority	Date of final order passed by approving authority	Date of ROC approval
	Number of shares reduced (refer note 3)	Fair market value of an equity shares#	Amount of unsecured loan as at 31 March 2025 (Amount in ₹ millions)^			
GEPL	32,25,807.00	475.00	1,532.26	NCLT	12 June 2023	01 July 2023

#Fair market value of an equity shares of an SPV's as disclosed above are based on the fair valuation report of the independent valuer appointed by the Trust.

^ refer note 32

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024
5 Other financial assets		
Non-current		
Security deposits	0.50	0.50
	0.50	**0.50**
6 Non-current tax assets (net)		
Advance income tax (net of provisions)	2.10	-
	2.10	**-**
7 Other non-current assets		
Prepaid expenses	45.59	55.13
	45.59	**55.13**
8 Investments		
Current		
Investment in preference shares of SEPL -unquoted (fully paid), at cost^	125.90	174.91
Investment in preference shares of BTEPL -unquoted (fully paid), at cost^	129.42	-
Investment in mutual funds -quoted (fully paid) (refer note (i) and (iii) below)	293.73	-
Total	**549.05**	**174.91**
^ These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".		
Notes:		
(i) Aggregate amount of quoted investment - at market value (refer note (iii) below)	293.73	-
Aggregate amount of unquoted investment - at cost	292.29	-
(ii) For assets pledged as security, refer note 38		
(iii) Investment in mutual funds at fair value through profit or loss (FVTPL):		
14,820.72 (31 March 2024: Nil) units in SBI Overnight Fund Direct Plan- Growth	61.55	-
70,431.06 (31 March 2024: Nil) units in ICICI Prudential Overnight Fund Direct Plan - Growth	96.91	-
7.77 (31 March 2024: Nil) units in Mirae Asset Overnight Fund - Direct Plan Grow	0.01	-
97,933.45 (31 March 2024: Nil) units in Aditya Birla Sun Life Overnight Fund - Direct Growth Plan	135.26	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(this space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

		As at 31 March 2025	As at 31 March 2024
9	**Cash and cash equivalents**		
	Balances with banks:		
	- in current accounts	1.63	1.97
	- in deposits with original maturity of less than three months*	221.20	459.21
		222.83	**461.18**

* Includes interest accrued but not due

Note:

(i) For assets pledged as security, refer note 38

10	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity more than three months but less than twelve months*#	1,163.91	953.02
		1,163.91	**953.02**

* Includes interest accrued but not due

Includes deposits pledged against Debt Service Reserve Account (DSRA) amounting to ₹ 1,162.81 millions (31 March 2024: 953.02 millions).

Notes:

(i) For assets pledged as security, refer note 38

(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the reporting year and the comparative year.

11	**Loans - current**		
	Loans receivables considered good - secured and unsecured		
	Loan to related parties-secured (refer note 32)		
	UEPL (refer note 4 (iii))	1,214.21	56.84
	NBPL	627.21	80.12
	GEPL	263.63	185.44
	DBCPL	321.72	239.00
	JPEPL	604.52	216.30
	UTPL	1,406.54	399.37
	ANHPL	452.65	600.66
	RAHPL	189.80	122.85
	GSHPL (refer note 4 (iii))	253.73	311.48
	STPL (refer note 4 (iii))	420.11	-
	NTEPL	1,302.73	-
	RBPL	126.83	-
		7,183.68	**2,212.06**

Notes:

(i) For assets pledged as security, refer note 38

(ii) The carrying values are considered to be a reasonable approximation of fair value.

(iii) Includes interest accrued but not due.

12	**Other current assets**		
	Advance to others	0.04	0.03
	Prepaid expenses	96.71	9.57
	Balance with government authorities	1.31	-
		98.06	**9.60**





	As at 31 March 2025	As at 31 March 2024
13 Unit capital		
Issued, subscribed and fully paid:		
415,500,000 (31 March 2024 : 415,500,000) of ₹ 100 each	41,550.00	41,550.00
65,931,294 (31 March 2024 : 65,931,294) of ₹ 77.96 each	5,140.00	5,140.00
265,454,540 (31 March 2024 : 265,454,540) of ₹ 82.50 each	21,900.00	21,900.00
58,702,708 (31 March 2024 : Nil) of ₹ 85.30 each	5,007.34	-
704,395,456 (31 March 2024 : Nil) of ₹ 78.10 each	55,013.29	-
	1,28,610.63	**68,590.00**

(i) Terms, rights attached to unit capital:

Subject to the provisions of the SEBI Regulations, the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ('the Trust').

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations').

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders.

e) Right to receive periodic information-the Investment Manager, on behalf of the Highways Infrastructure Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the InvIT Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI.

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

g) the Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholders.

h) no unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

i) In terms of the SEBI Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders:

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (hereinafter referred as the Trust assets) (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

(ii) Reconciliation of unit outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of units	₹ in millions	No. of units	₹ in millions
Unit capital of ₹100 each fully paid up				
Balance at the beginning of the year	**74,68,85,834**	**68,590.00**	**41,55,00,000**	**41,550.00**
Add: Units issued during the year				
- Issuance of units by way of right issue at ₹ 77.96 (refer note (vi) below)	-	-	6,59,31,294	5,140.00
-Issuance of units by way of preferential allotment at ₹ 82.50 (refer note (vii) below)	-	-	26,54,54,540	21,900.00
- Issuance of units by way of preferential allotment at ₹ 85.30 (refer note (viii) below)	5,87,02,708	5,007.34	-	-
- Issuance of units by way of preferential allotment at ₹ 78.10 (refer note (ix) below)	70,43,95,456	55,013.29	-	-
Balance at the end of the year	**1,50,99,83,998**	**1,28,610.63**	**74,68,85,834**	**68,590.00**

WALKER CHANDIOK & CO LLP
HIGHWAYS INFRASTRUCTURE TRUST

(iii) Unitholders holding more than 5% units of the trust as at balance sheet date :

Name of the unitholder	As at 31 March 2025		As at 31 March 2024	
	No. of units	% holding	No. of units	% holding
Galaxy Investments II Pte Ltd	42,05,86,295	27.85%	37,39,00,000	50.06%
2452991 Ontario Limited	37,74,95,998	25.00%	14,83,41,698	19.86%
Nebula Asia Holdings II Pte Ltd	66,15,27,955	43.81%	18,06,06,060	24.18%
Total	**1,45,96,10,248**	**96.66%**	**70,28,47,758**	**94.10%**

(iv) There were no units issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back since the date of incorporation.

(v) The Trust has issued 46,686,295 units to Galaxy Investments II Pte Ltd in consideration for the acquisition of BETPL's share capital, compulsorily convertible debentures (CCDs), and preference share capital, without any cash payment being received.

(vi) During the previous financial year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150.00 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:
(a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateh Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV")
(b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and
(c) for general corporate purposes.
Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.
Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.

The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended 31 March 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.

(vii) During the previous financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900.00 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900.00 millions have been utilised for payment of purchase consideration of STPL and GRICL.

(viii) During the quarter and year ended 31 March 2025, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount up to approximate ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024. Refer note 46.

(ix) During the quarter and year ended 31 March 2025 Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount up to approximate ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025. The same has been utilised for Investment in Equity Shares and providing secured and unsecured rupee term loan to NTEPL.





	As at 31 March 2025	As at 31 March 2024
14 Other equity		
Retained earnings	(18,958.72)	(12,771.18)
	(18,958.72)	**(12,771.18)**

Nature and purpose of components of other equity are as follows:

Retained earnings

Retained earnings are created from the profit/(loss) of the Trust, as adjusted for distributions to owners, transfers to other reserves and issue related expenses. Negative balance represents accumulated losses.

15 Borrowings - non-current		
At amortised cost		
Secured:		
a) Non convertible debentures		
- Listed	11,299.58	11,340.62
	11,299.58	11,340.62
b) Rupee term loan from banks/financial institutions		
- Bank and financial institutions	33,955.09	21,650.23
	33,955.09	21,650.23
Sub-total (A)	**45,254.67**	**32,990.85**
Less: Current maturities of long term borrowings (Current borrowings)		
Secured:		
a) Rupee term loan	723.87	465.10
b) Non convertible debentures	3,950.00	65.00
Total current maturities of borrowings (B) (refer note 17)	**4,673.87**	**530.10**
Total non-current borrowings (A-B)	**40,580.80**	**32,460.75**

(i) Refer note 34 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 35 - financial risk management for assessment of expected credit losses.

(ii) **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

Particulars	Non-current borrowings (including current maturities)
Balance as at 01 April 2023	14,249.18
Cash flows:	
Proceeds from borrowings	21,818.06
Repayment of borrowings	(377.66)
Processing fees	(169.25)
Non-cash:	
Impact of amortised cost adjustment for borrowings	28.14
Interest on commercial paper	89.93
Balance as at 31 March 2024 (refer note 15 and 17)	**35,638.40**
Balance as at 01 April 2024	35,638.40
Cash flows:	
Proceeds from borrowings	19,047.37
Repayment of borrowings	(7,023.88)
Processing fees	(59.29)
Non-cash:	
Impact of amortised cost adjustment for borrowings	47.05
Interest on commercial paper	211.02
Balance as at 31 March 2025 (refer note 15 and 17)	**47,860.67**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

15 For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

A. Repayment terms

I Repayment terms of rupee term loan (RTL):

Rupee term loan (including RTL- 1 for sanctioned limits of ₹ 8,000.00 million, RTL-2 for sanctioned limits of ₹ 19,000.00 million and RTL - 4 for sanctioned limits of ₹ 33,000.00 million) from banks and financial institutions (including current maturities) of ₹ 33,955.09 million (31 March 2024: ₹ 21,650.23 million) which carries weighted average interest rate of 8.32% p.a. (31 March 2024: 8.34% p.a.) linked to Benchmark Rates (as defined in Rupee Loan Agreement or any communication from lender in relation to shift in Benchmark Rate) plus spread, if any, the interest rate will reset on such periodicity (in line with Benchmark Rate). The RTL-1 loan is repayable in 55 structured quarterly instalments starting from 30 September 2022 and ending on 31 March 2036. The RTL- 2 loan is repayable in 65 structured quarterly instalments starting from 31 March 2024 and ending on 30 June 2040. The RTL - 4 loan is repayable in 67 structured quarterly instalments starting from 30 June 2025 and ending on 31 December 2041.

II Repayment terms of non-convertible debentures (NCD):

Series I and II:

For the previous year ended 31 March 2023, 'The Trust has issued senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹4,000.00 millions for Series I at coupon rate of 7.81% p.a. (31 March 2024: 7.81% p.a) and ₹2,500.00 millions for Series II at coupon rate of 8.25% p.a (31 March 2024: 8.25% p.a) having an outstanding balance as at 31 March 2025 of ₹ 6,310.00 millions (31 March 2024 of ₹ 6,366.13 millions) which will mature on 22 December 2025 and 22 September 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said Series I NCDs is repayable in 13 structured quaterly installments starting from 31 December 2022 and ending on 22 December 2025. Further Series II NCDs is repayable in 28 structured quaterly installments starting from 31 December 2022 and ending on 22 September 2029.

Series III:

The Trust has issued senior, secured, taxable, rated, listed, redeemable Non-Convertible Debentures ("NCD's") amounting to ₹ 5,000.00 millions for Series III at coupon rate of 8.34% p.a. (31 March 2024: 8.34% p.a.) having an outstanding balance as at 31 March 2025 of ₹ 4,989.58 millions (31 March 2024 of ₹ 4,974.49 millions). The NCDs are listed on Bombay Stock Exchange (BSE). The Said series III NCDs is repayable in bullet payments at the end of 3 years from deemed date of allotments i.e. 18 January 2024.

B. Security clause: non-convertible debentures (NCD) and rupee term loan (RTL) are secured by:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:

i). all receivables of the Issuer from the HoldCos and SPVs
ii). loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs
iii). dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer
iv). inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer
v). all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

(b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future

(c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the escrow account and the sub-accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the escrow account including the cash flows to be received from the HoldCos and SPVs.

(d) first ranking pari passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA.

(e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

(f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities").

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024
16 Deferred tax liabilities		
Deferred tax liability arising on account of :		
Unrealised gain on mutual funds	0.56	-
Deferred tax liabilities	**0.56**	**-**

Movement in deferred tax as at 31 March 2025

Particulars	Balance as at 01 April 2024	Recognised in Statement of Profit and Loss	Recognised in other equity	Balance as at 31 March 2025
Unrealised gain on mutual funds	-	0.56	-	(0.56)
Total deferred tax liabilities	**-**	**0.56**	**-**	**(0.56)**

Movement in deferred tax as at 31 March 2024

Particulars	Balance as at 01 April 2023	Recognised in Statement of Profit and Loss	Recognised in other equity	Balance as at 31 March 2024
Unrealised gain on mutual funds	-	-	-	-
Total deferred tax liabilities	**-**	**-**	**-**	**-**

	As at 31 March 2025	As at 31 March 2024
17 Current borrowings		
Current maturities of long term borrowings (refer note 15)	4,673.87	530.10
Commercial paper (refer note 55)	2,606.00	2,647.55
	7,279.87	**3,177.65**

Repayment terms of Commercial papers (CP) (refer note 55):
The Trust has issued Commercial paper ("CP") amounting to ₹ 2,750.00 millions at discount rate of 7.90% p.a. having an outstanding balance as at 31 March 2025 of ₹ 2,606.00 millions (31 March 2024: ₹ 2,647.55 millions) after unwinding of Interest on CP. The said CP is repayable in bullet payments after 365 days from date of issue. i.e. 17 December 2024.

(this space has been intentionally left blank)





	As at 31 March 2025	As at 31 March 2024
18 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 33)	1.78	3.96
Total outstanding dues to creditors other than micro enterprises and small enterprises		
-Related parties (refer note 32)	4.10	24.71
-Others	15.98	113.70
	21.86	142.37

Note:

(i) Refer note 35 Financial risk management for presentation of financial instruments by category.

Trade payables ageing schedule

As at 31 March 2025

Particulars	Outstanding for following period from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed outstanding dues of micro enterprises and small enterprises	1.78	-	-	-	-	1.78
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	20.08	-	-	-	-	20.08
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	21.86	-	-	-	-	21.86

As at 31 March 2024

Particulars	Outstanding for following period from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed outstanding dues of micro enterprises and small enterprises	3.96	-	-	-	-	3.96
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	138.41	-	-	-	-	138.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	142.37	-	-	-	-	142.37

Terms and condition of the above financial liabilities:

Credit period varies as per the contractual terms of various suppliers/vendors. The Trust has appropriate policy in place to ensure that all dues are paid within the credit terms agreed with the parties. Also, refer trust credit risk management policy.

	As at 31 March 2025	As at 31 March 2024
19 Other financial liabilities		
Interest accrued on rupee term loan	2.46	3.64
Interest accrued on NCD	4.49	2.38
Consideration payable towards acquisition of subsidiaries	92.28	578.09
	99.23	584.11
20 Other current liabilities		
Statutory dues payable	13.17	26.09
	13.17	26.09
21 Current tax liabilities (net)		
Provision for income tax (net)	-	8.21
	-	8.21

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

		For the year ended 31 March 2025	For the year ended 31 March 2024
22	**Interest income on loan from subsidiaries**		
	Interest income on CCD's from subsidiaries	61.89	-
	Interest income on RTL from subsidiaries	7,167.89	2,742.37
	Interest income on OCD's from subsidiaries	70.70	745.32
		7,300.48	**3,487.69**
23	**Other income**		
23(a)	**Profit on sale of investments**		
	Gain on sale of investments in mutual funds(net)	111.27	5.90
	Gain on investments measured at fair value through profit or loss	1.44	-
		112.71	**5.90**
23(b)	**Others**		
	Liabilities no longer required written back	3.84	2.56
	Change in consideration payable towards acquisition of subsidiary (refer note 19)	38.31	-
	Interest on income tax refunds	1.15	-
	Miscellaneous income	19.07	-
		62.37	**2.56**
24	**Finance costs**		
24(a)	**Interest on term loan and non convertible debentures**		
	- Rupee term loan	1,927.96	1,021.38
	- Non-convertible debentures	944.74	614.12
	- Commercial paper	212.98	89.93
		3,085.68	**1,725.43**
24(b)	**Other borrowing costs**		
	Finance and bank charges	1.76	1.22
		1.76	**1.22**
25	**Audit fees***		
	Statutory audit and limited review fees	22.27	20.78
	Certification and other fees	3.03	3.85
	Out of pocket expenses	1.26	0.58
		26.56	**25.21**
	* includes goods and service tax paid		
26	**Other expenses**		
	Travelling and conveyance	7.46	9.76
	Rates and taxes	2.18	1.30
	Loss on reduction of Investment IN EQUITY	-	8.44
	Branding and advertising expenses	10.32	-
	Stakeholder management expenses	4.60	-
	Miscellaneous expenses	1.26	0.25
		25.82	**19.75**





		For the year ended 31 March 2025	For the year ended 31 March 2024
27	**Exceptional items**		
	Impairment of non-current investments - SEPL	193.41	-
	Impairment of non-current investments - NBPL	-	11.23
	Impairment of non-current investments - JPEPL	-	2,353.95
	Impairment of non-current loan given - JPEPL	144.49	368.85
	Impairment of non-current investments - UTPL	196.05	-
	Impairment of non-current loan given - UTPL	49.79	-
	Impairment of non-current investments - ANHPL	304.36	-
	Impairment of non-current investments - RAHPL	325.04	211.63
	Impairment of non-current investments - GSHPL	124.02	133.47
	Impairment of non-current investments - STPL	5,503.23	1,885.66
	Total	**6,840.39**	**4,964.79**
	Less: gain on reduction of investment in equity shares of RAHPL (refer note (ii))	(141.32)	-
	Less: gain on reduction of investment in equity of STPL (refer note (iii))	(1,808.85)	-
	Less: gain on reduction of investment in equity shares of other SPVs (refer note 3)	(5.14)	-
		4,885.08	**4,964.79**

Notes:

i) As per Ind AS 36 'Impairment of Assets', management carried out the impairment assessment of investment in subsidiaries and on secured and unsecured loans given to SPVs and provided for an impairment loss (net) of ₹ 4,885.08 millions (31 March 2024: ₹ 4,964.79 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended 31 March 2025. The recoverable value determined through value in use method in respect of investment in subsidiary. The discount rate used for determining the recoverable value is 9.06% for SEPL, 10.06% for JPEPL, 9.98% for UTPL, 7.52% for ANHPL, 7.54% for RAHPL, 8.04% for GSHPL and 9.49% for STPL for the year ended 31 March 2025 and 8.07% for NBPL, 10.44 % for JPEPL, 7.43% for RAHPL, 7.50% for GSHPL and 9.94% for STPL for the year ended 31 March 2024.

ii) During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Narnaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024, and RAHPL on 18 February 2025. Necessary impacts have been considered in the audited standalone financial results of the Trust for the year ended 31 March 2025. The said reduction of equity share capital of RAHPL has lead to a gain of ₹ 141.32 millions which has been disclosed as an exceptional items in the audited standalone financial statement of the Trust for the year ended 31 March 2025.

iii) During the current year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approval of capital reduction scheme in STPL on 21 November 2024.
Consequent to the capital reduction approval order received from NCLT, the Trust has recognised unsecured rupee term loan and de-recognised Investment in Equity Shares of STPL. The said reduction of equity share capital has lead to a gain of ₹ 1,808.85 millions which has been disclosed as an exceptional items in the audited standalone financial statement of the Trust for the year ended 31 March 2025.

Recoverable value as at 31 March 2025 and 31 March 2024:

SEPL	8.48	139.89
NBPL	99.13	175.78
JPEPL	-	-
UTPL	-	-
ANHPL	313.15	-
RAHPL	40.48	711.30
GSHPL	169.17	1,977.01
STPL	6,835.70	15,181.91

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

28 Tax expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Income tax expense recognised in Statement of Profit and Loss		
Current tax (including tax for earlier year)	37.40	67.49
Deferred tax charge	0.56	-
	37.96	**67.49**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

Particulars		
Profit/(loss) before tax	9,019.50	(1,983.40)
Income tax using the trust domestic tax rate under section of the Income-Tax Act, 1961*	39.00%	42.74%
Expected tax expense [A]	**3,517.61**	**(847.79)**
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:		
Tax impact of non deductible expenditure	3,115.68	3,080.69
Tax effect of exempted income	(6,654.97)	(2,165.52)
Others	(16.28)	0.11
Total adjustments [B]	**(3,555.57)**	**915.28**
Actual tax expense [C=A+B]	**(37.96)**	**67.49**

*Domestic tax rate applicable to the trust has been computed as follows :

Base tax rate	30.00%	30.00%
Surcharge (% of tax)	25.00%	37.00%
Cess (% of tax)	4.00%	4.00%
Applicable tax rate	**39.00%**	**42.74%**

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

HIGHWAYS INFRASTRUCTURE TRUST

	For the year ended 31 March 2025	For the year ended 31 March 2024
29 Earnings per unit (EPU)		
The following table reflects the income and share data used in the basic and diluted EPU computations:		
Net Profit/ (loss) for the year attributable to owners of the Trust for calculating basic EPU	8,981.54	(2,050.89)
Net Profit/ (loss) for the year attributable to owners of the Trust for calculating diluted EPU	8,981.54	(2,050.89)
Weighted average of units outstanding for calculating basic EPU*	92,90,98,369	49,99,75,102
Weighted average number of units outstanding for calculating diluted EPU**	92,90,98,369	49,99,75,102
Basic EPU (₹)	9.67	(4.10)
Diluted EPU (₹)	9.67	(4.10)

*Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the year.

**Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

30 Capital and other commitments

Commitments as at 31 March 2025 is Nil (31 March 2024: Nil)

31 Contingent liabilities

Contingent liabilities as at 31 March 2025 is Nil (31 March 2024: Nil)

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

HIGHWAYS INFRASTRUCTURE TRUST

32 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the year ended 31 March 2025 and 31 March 2024:

Subsidiaries
Ulundurpet Expressways Private Limited ("UEPL")
Nirmal BOT Private Limited ("NBPL")
Godhra Expressways Private Limited ("GEPL")
Dewas Bhopal Corridor Private Limited ("DBCPL")
Shillong Expressway Private Limited ("SEPL")
Jodhpur Pali Expressway Private Limited ("JPEPL")
Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f 02 November 2023
Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G Ateli Narnaul Highway Private Limited) w.e.f 22 November 2023
Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G Rewari Ateli Highway Private Limited) w.e.f 22 November 2023
Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f 22 November 2023
Gujarat Road and Infrastructure Company Limited ("GRICL") w.e.f 24 January 2024
Swarna Tollway Private Limited ("STPL") w.e.f 24 January 2024
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
North Telangana Expressway Private Limited ("NTEPL") w.e.f. 15 October 2024
Rewari Bypass Private Limited ("RBPL") (formerly known as "H.G. Rewari Bypass Private Limited") w.e.f. 20 February 2025

Holding Entity
Galaxy Investments II Pte. Ltd

Intermediate holding entities
Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity
KKR Asia Pacific Infrastructure Investors SCSp*
**Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l*

Fellow subsidiaries*
Highway Concessions One Private Limited ("HC1")
HC One Project Manager Private Limited

***With whom the Group had transactions during the current or previous year*

Key managerial personnel (KMP) as per Ind AS 24 - "Related party disclosures"
Refer note II C. (xiv) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust.

II. List of additional related parties as per Regulation 2(1)(zv) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations')

A. Parties to Highways Infrastructure Trust

Sponsor Group:
The following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the SEBI Regualtions read with the proviso to Regulation(4)(2)(d)(i) of the SEBI Regulations:

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l
Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)
KKR Associates AP Infrastructure II SCSp; and (w.e.f. 19 January 2024)
KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)
Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust
HC One Project Manager Private Limited- Project manager of the Trust
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

C. Directors/General Partners/Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd
Tang Jin Rong
Madhura Narawane
Goh Ping Hao

(ii) Directors of Galaxy Investments Pte. Ltd
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd
Tang Jin Rong
Goh Wei Chong Matthew

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l.

(vi) Managers of KKR AP Infrastructure S.à r.l
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(viii) Directors of Nebula I Investments Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.
Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp
KKR Associates AP Infrastructure II SCSp

(xi) General Partner of KKR Associates AP Infrastructure II SCSp
KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l.
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(This space has been intentionally left blank)





(xiii) Directors of Axis Trustee Services Limited

Mr. Rahul Ranjan Choudhary, CEO and Managing Director (w.e.f 06 February 2025)
Ms. Deepa Rath CEO (KMP), Managing Director (till 05 February 2025)
Mr. Sumit Bali (Non-executive Director) (w.e.f 16 January 2024 to 16 August 2024)
Mr. Prashant Joshi (Non-executive Director) (w.e.f 16 January 2024)
Mr. Parmod Kumar Nagpal, Director (w.e.f 03 May 2024)
Mr. Arun Mehta, Director (w.e.f 03 May 2024)
Mr. Rajesh Kumar Dahiya (Director) (till 15 January 2024)
Mr. Ganesh Sankaran (Director) (till 15 January 2024)

(xiv) Directors/KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrik Shah, Non-executive Director
Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024)
Dr. Zafar Khan, Director (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024 to 07 August 2024) and Additional Executive Director and Joint CEO (w.e.f 08 August 2024)
Ms. Sudha Krishnan, Independent Director
Mr. Neeraj Sanghi, CEO (KMP) and Whole time Director (till 31 March 2024)
Mr. Rajesh Kumar Pandey, Independent Director (w.e.f. 16 May 2024)
Ms. Ami Vinoo Momaya, Non-executive Director
Mr. Subramanian Janakiraman, Independent Director
Mr. Manish Agarwal, Independent Director
Mr. Narayanan Doraiswamy, Chief Financial Officer
Mr. Abhishek Chhajer, Chief Financial Officer (w.e.f. 01 January 2024)
Mr. Steffano Ghezzi, Nominee Director (w.e.f 16 May 2024 to 14 November 2024)
Mr. Bruce Ross Crane, Nominee Director (w.e.f 13 December 2024 to 23 February 2025)
Mr. Michael Nachaty, Nominee Director (w.e.f 24 February 2025)
Mr. Soma Sankara Prasad, Independent Director (w.e.f 08 August 2024)
Ms. Kunjal Shah, Company Secretary and Compliance Officer (till 08 August 2024)
Ms. Meghana Singh, Compliance Officer (w.e.f 09 August 2024 to 07 November 2024)
Mr. Gajendra Mewara, Company Secretary and Compliance Officer (w.e.f. 08 November 2024)

(xv) Directors of HC One Project Manager Private Limited

Dr. Zafar Khan, Director
Mr. Abhishek Chhajer, Director (w.e.f. 01 April 2024)
Mr. Neeraj Sanghi, Director (till 31 March 2024)

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

III. Transactions and outstanding balances with related party

Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Galaxy Investment II Pte. Ltd		
Transaction during the year		
Issue of unit capital	3,982.34	-
Distribution to unit-holders^	7,325.47	3,315.00
Balance outstanding at the end of the year		
Unit capital	41,372.34	37,390.00
Nebula Asia Holdings II Pte. Ltd.		
Transaction during the year		
Issue of unit capital	37,560.00	14,900.00
Distribution to unit-holders^	3,908.16	660.64
Balance outstanding at the end of the year		
Unit capital	52,460.00	14,900.00
2452991 Ontario Limited		
Transaction during the year		
Issue of unit capital	16,958.47	-
Distribution to unit-holders^	450.92	-
Balance outstanding at the end of the year		
Unit capital	30,483.47	-
Highway Concessions One Private Limited		
Transaction during the year		
Investment manager fees	70.43	74.64
Reimbursement of expenses	0.26	5.49
Balance outstanding at the end of the year		
Investment manager fees payable	4.10	24.71
Nirmal BOT Private Limited		
Transaction during the year		
Loan given	10.00	272.79
Proceeds from redemption of OCD's of subsidiaries	-	10.00
Refund of loan given	199.17	293.50
Impairment of non current investment (exceptional items)	-	11.23
Interest on loan given	125.26	134.66
Interest on CCD's and OCD's given	-	0.21
Balance outstanding at the end of the year		
Investments in equity instruments of subsidiaries (net of impairment)	99.13	99.13
Interest on RTL recievable	28.13	3.27
Loan recievable	759.55	948.72
Dewas Bhopal Corridor Private Limited		
Transaction during the year		
Refund of loan given	498.00	-
Tax deducted at source on account of capital reduction	-	0.60
Interest on loan given	431.82	462.01
Distribution of dividend	832.50	1,178.37

^ Pertains to the distributions made during the FY 2024-25 along with the distribution related to the last quarter of FY 2023-24 and does not include the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Dewas Bhopal Corridor Private Limited		
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	12,218.15	12,218.15
Loan recievable	2,802.08	3,300.08
Interest on RTL recievable	20.72	0.00
Ulundurpet Expressways Private Limited		
Transaction during the year		
Loan given	-	312.55
Recognition of loan pursuant to equity share capital reduction	1,900.00	-
Loss on reduction of investment in equity	4.80	-
Tax deducted at source on account of capital reduction	1.90	-
Proceeds from redemption of OCD's of subsidiaries	-	10.00
Refund of loan given	56.15	1,496.05
Interest on loan given	49.82	93.34
Interest on CCD's and OCD's	-	0.21
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	1,100.15	3,004.95
Interest on RTL recievable	-	0.69
Loan receivable	1,900.00	56.15
Godhra Expressways Private Limited		
Transaction during the year		
Loan given	-	4,500.00
Recognition of loan pursuant to equity share capital reduction	-	1,532.26
Proceeds from redemption of OCD's of subsidiaries	-	4,500.00
Refund of loan given	-	65.83
Tax deducted at source on account of capital reduction	-	1.53
Reduction in value of investment in equity pursuant to share capital reduction	-	1,540.70
Loss on reduction of investment in equity	-	8.44
Interest on loan given	1,402.92	847.98
Interest on CCD's and OCD's	4.53	519.21
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	9,626.39	9,626.39
Investment in OCD's of subsidiaries	32.38	32.38
Interest receivable on RTLs	263.63	180.52
Interest receivable on OCD's	-	0.74
Loan receivable	10,020.83	10,020.83
Jodhpur Pali Expressway Private Limited		
Transaction during the year		
Loan given	-	3,059.13
Refund of loan given	103.53	400.76
Redemption of optionally convertible debentures of subsidiaries	-	2,333.83
Interest on loan given	767.20	557.13
Interest on CCD's and OCD's	-	225.70
Impairment of non-current investment (exceptional items)	-	2,353.95
Impairment of non-current loan given (exceptional items)	144.49	368.85

(this space has been intentionally left blank)





Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Jodhpur Pali Expressway Private Limited		
Balance outstanding at the end of the year		
Interest receivable on OCD's and CCD's	-	0.00
Interest receivable on RTL	604.52	211.46
Loan receivable (net of impairment)	4,911.31	5,159.33
Shillong Expressway Private Limited		
Transaction during the year		
Loan given	-	405.66
Refund of loan given	227.48	178.19
Proceeds from redemption of preference shares	49.01	97.64
Interest on loan given	16.00	12.68
Distribution of dividend	100.93	165.73
Impairment of non-current investment (exceptional items)	193.41	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	8.48	201.89
Loan receivable	-	227.47
Investment in preference shares of subsidiaries	125.90	174.91
Udupi Tollway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	196.05
Loan given	127.37	8,821.27
Interest on loan given	1,179.96	443.44
Refund of loan given	202.83	351.86
Impairment of non-current investment (exceptional items)	196.05	-
Impairment of non-current loan given (exceptional items)	49.79	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	196.05
Loan receivable (net of impairment)	8,344.15	8,469.41
Interest receivable on RTL	1,113.05	240.28
Gurgaon Sohna Highway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	844.46
Loan given	95.00	2,566.13
Distribution of dividend	-	41.26
Interest on loan given	334.66	86.25
Refund of loan given	547.35	86.00
Impairment of non current investment (exceptional items)	124.02	133.47
Recognition of loan pursuant to equity share capital reduction	423.00	-
Gain on reduction of investment in equity	11.92	-
Tax deducted at source on account of capital reduction	0.42	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	175.90	710.99
Loan receivable (net of inpairment)	2,450.77	2,480.13
Interest receivable on RTL	150.98	0.95
Rewari Ateli Highway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	757.83
Loan given	97.00	2,227.30
Distribution of dividend	109.43	190.86
Interest on loan given	279.92	77.82
Refund of loan given	357.81	147.05
Impairment of non-current investment (exceptional items)	325.04	211.63
Reversal of impairment of non-current investment	197.06	-
Recognition of loan pursuant to equity share capital reduction (loan given)	322.00	-
Tax deducted at source on account of capital reduction	0.32	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	40.48	546.20
Loan receivable (net of impairment)	2,141.44	2,080.25
Interest receivable on RTL	67.40	0.95

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Ateli Narnaul Highway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	1,511.49
Loan given	315.00	3,397.14
Distribution of dividend	523.50	-
Interest on loan given	494.64	20.15
Refund of loan given	862.72	-
Recognition of loan pursuant to equity share capital reduction	892.00	-
Loss on reduction of investment in equity	1.98	-
Tax deducted at source on account of capital reduction	0.89	-
Impairment of non current investment (exceptional items)	304.36	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	313.15	1,511.49
Loan receivable (net of impairment)	3,741.41	3,397.14
Interest receivable on RTL	265.54	5.96
Swarna Tollway Private Limited		
Transaction during the year		
Loan Repaid	-	1,115.35
Investment in equity instruments of subsidiaries	-	20,745.90
Recognition of loan pursuant to equity share capital reduction	8,330.18	-
Tax deducted at source on account of capital reduction	8.33	-
Interest on Loan	417.56	6.88
Distribution of dividend	5,113.99	-
Impairment of non-current investment (exceptional items)	7,312.08	1,885.66
Reversal of Impairment of non-current investment (exceptional items)	2,399.41	-
Refund on loan given	1,438.17	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	6,835.70	18,860.24
Loan receivable	8,007.36	1,115.34
Interest receivable on RTL	95.21	-
Gujarat Road and Infrastructure Company Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries	-	5,657.22
Distribution of dividend	3,016.85	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	5,657.22	5,657.22
Bangalore Elevated Tollway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries	119.08	-
Interest income on OCD and CCD	128.04	-
Loan given	615.80	-
Refund of loan given	463.79	-
Interest on Loan	42.94	-
Investment in CCD's of subsidiaries	3,220.29	-
Interest receivable on OCD's and CCD's	513.54	-
Investment in preference shares of subsidiaries	129.42	-
Proceeds from redemption of OCD's of subsidiaries	2,837.97	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	119.08	-
Investment in OCD's of subsidiaries	382.32	-
Loan receivable	152.01	-
Investment in preference shares of subsidiaries	129.42	-
North Telangana Expressway Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries	3,350.10	-
Loan given	63,327.00	-
Interest on loan	1,617.52	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	3,350.10	-
Interest receivable on RTL	1,191.13	-
Loan receivable	63,327.00	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
Rewari Bypass Private Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries	1,422.99	-
Investment in OCD's of subsidiaries	1.00	-
Loan given	1,816.84	-
Interest on Loan given	7.67	-
Interest on OCD's	0.02	-
Recovery of processing fees on RTL	7.20	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	1,422.99	-
Investment in OCD's of subsidiaries	1.00	-
Loan receivable	1,816.84	-
Interest receivable on RTL	7.67	-
Interest receivable on OCD's	0.02	-
Axis Trustee Services Limited		
Transaction during the year		
Trustee fees	0.94	1.42
Initial acceptance fees	-	0.71
Axis Bank Limited		
Transaction during the year		
Rupee term loan taken	5,300.00	1,150.00
Repayment of rupee term loan	42.23	21.61
Processing Fees	23.72	5.43
Interest on rupee term loan	176.26	74.07
Interest on bank deposits	-	44.81
Investment in bank deposits	-	9,671.53
Redemption in term deposits	-	9,671.53
Balance outstanding at the end of the year		
Rupee term loan payable	6,875.64	1,617.87
Closing balance of current account	-	1.35

Note:

1 All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year/period ends are secured and unsecured and settlement is generally done through banking channels.

2 The above information has been determined to the extent such parties have been identified on the basis of information available with the Trust and relied upon by the auditors.





IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder on standalone audited financials of the Trust for the year ended 31 March 2025

For the year ended 31 March 2025:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for investment in equity share capital, investment in compulsorily convertible debentures ('CCD')* and compulsorily convertible preference shares ('CCPS') of BETPL during the year ended 31 March 2025:

Particulars	Attributes
Discounting rate (WACC)	10.51%
Method of valuation	Discounted cash flows

*During the financial year ended 31 March 2025, the terms of CCD were converted into optionally convertible debentures ("OCDs"). Further, during the current year OCDs of BETPL is partially redeemed.

B Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in a resolution of the existing unitholders approving the issue of units, in accordance with Regulation 22(5) of the SEBI Regulations passed on 11 June 2024 and Securities Purchase Agreement dated 30 August 2023 ("SPA") executed amongst the Galaxy Investments II Pte. Ltd ("Sponsor") and the Trust, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Sponsor transferred 100% of equity shares capital, CCD, and CCPS of BETPL to the Trust and price is discharged by the Trust by issuing 46,686,295 units at Net asset value ("NAV") of ₹ 85.30 per unit.

Accordingly, the Trust has acquired 21,591,279 equity shares (including of nominee), 32,202,939 CCD and 12,941,850 CCPS of BETPL from the Sponsor as on 12 June 2024.

C No external financing has been obtained for acquisition of BETPL.

D No fees or commission received or to be received from any associate party in relation to acquisition of BETPL.

E During the year ended 31 March 2025, the Trust has acquired a subsidiary namely RBPL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

For the year ended 31 March 2024:

During the year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.



(this space has been intentionally left blank)



33 Total outstanding dues of micro enterprises and small enterprises related disclosure

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.78	3.96
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
- Principal	-	-
- Interest	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Investment Manager of the Trust.

*Refer note 18

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

34 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Balance Sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: Inputs are other than quoted prices included within level-1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs is not based on observable market data(unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial assets/(liabilities) measured at fair value

For the year ended 31 March 2025	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	293.73	-	-	293.73

For the year ended 31 March 2024	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	-	-	-	-

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units are based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	For the year ended 31 March 2025		For the year ended 31 March 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost:					
Investments (refer note 3 and 8)	Level 3	41,931.67	70,541.31	52,840.59	60,728.82
Cash and cash equivalents (refer note 9)	Level 3	222.83	222.83	461.18	461.18
Bank balance other than cash and cash equivalents (refer note 10)	Level 3	1,163.91	1,163.91	953.02	953.02
Current and non current loans (refer note 4 and 11)	Level 3	1,14,182.74	1,14,182.74	37,897.97	37,897.97
Others (refer note 5)	Level 3	0.50	0.50	0.50	0.50
Total financial assets		**1,57,501.65**	**1,86,111.29**	**92,153.26**	**1,00,041.49**
Financial liabilities					
Borrowings (including current maturities of non-current borrowings) (refer note 15 and 17)	Level 3	47,860.67	47,860.67	35,638.40	35,638.40
Trade payables (refer note 18)	Level 3	21.86	21.86	142.37	142.37
Other financial liabilities (refer note 19)	Level 3	99.23	99.23	584.11	584.11
Total financial liabilities		**47,981.76**	**47,981.76**	**36,364.88**	**36,364.88**

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Valuation process and technique used to determine fair value

* The fair values of the Trust's loans and Investments are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting year end was assessed to be insignificant.

The significant unobservable inputs used in the fair value measurement of investment in subsidiaries required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2025 and 31 March 2024 are as shown below:

Investment in subsidiaries	Valuation Method	Revenue growth rate		Data inputs (Discount rate)		Equity value of investment	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Shillong Expressway Private Limited	Discounted cash flow method	refer note 1	refer note 1	9.06%	8.09%	8.48	279.94
Nirmal BOT Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.87%	8.07%	134.29	146.10
Dewas Bhopal Corridor Private Limited	Discounted cash flow method	10.92% to 14.51%	10.99% to 12.63%	9.58%	10.52%	15,062.58	13,468.37
Godhra Expressways Private Limited	Discounted cash flow method	10.13% to 12.71%	8.38% to 11.91%	9.57%	10.45%	17,388.94	12,212.71
Ulundurpet Expressways Private Limited	Discounted cash flow method	3.80% to 4.30%	4.42% to 8.14%	9.48%	10.10%	1,741.83	3,459.70
Jodhpur Pali Expressway Private Limited	Discounted cash flow method	5.66% to 9.47%	3.89% to 9.40%	10.06%	10.48%	179.56	-
Ateli Narnaul Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.52%	7.43%	418.88	1,808.56
Rewari Ateli Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.54%	7.43%	203.65	546.20
Gurgaon Sohna Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	8.04%	7.50%	169.47	710.99
Udupi Tollway Private Limited	Discounted cash flow method	8.19% to 12.12%	7.35% to 11.08%	9.98%	10.60%	1,301.35	243.90
Gujarat Road and Infrastructure Company	Discounted cash flow method	8.53% to 10.41%	(1.93%) to 11.92%	9.55%	10.27%	9,899.26	8,992.10
Swarna Tollway Private Limited	Discounted cash flow method	6.91% to 10.02%	6.34% to 9.33%	9.49%	9.94%	7,439.84	18,860.25
Bangalore Elevated Tollway Private Limited	Discounted cash flow method	7.69%	refer note 2	9.48%	refer note 2	1,555.58	refer note 2
North Telangana Expressway Private Limited	Discounted cash flow method	refer note 2	refer note 2	9.11%	refer note 2	13,449.39	refer note 2
Rewari Bypass Private Limited	Discounted cash flow method	refer note 1	refer note 2	7.43%	refer note 2	1,588.21	refer note 2
Total						**70,541.31**	**60,728.82**

Note 1 - For HAM model and annuity model subsidiaries, actual revenue as per service concession agreement have been considered.
Note 2 - Entity is acquired during the current year, hence figures for previous year is not disclosed.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

ii) Financial instruments by category

Particulars	For the year ended 31 March 2025			For the year ended 31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments (refer note 3 and 8)	293.73	-	671.02	-	-	207.90
Current and non current loans (refer note 4 and 11)	-	-	1,14,182.74	-	-	37,897.97
Other financial assets (refer note 5)	-	-	0.50	-	-	0.50
Cash and cash equivalents (refer note 9)	-	-	222.83	-	-	461.18
Bank balance other than cash and cash equivalents (refer note 10)	-	-	1,163.91	-	-	953.02
Total	**293.73**	**-**	**1,16,241.00**	**-**	**-**	**39,520.57**
Financial liabilities						
Borrowings (including current maturities of non-current borrowings) (refer note 15 and 17)	-	-	47,860.67	-	-	35,638.40
Trade payables (refer note 18)	-	-	21.86	-	-	142.37
Other financial liabilities (refer note 19)	-	-	99.23	-	-	584.11
Total	**-**	**-**	**47,981.76**	**-**	**-**	**36,364.88**

35 Financial risk management

The Trust's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Trust's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements:

Risk	Exposure arising from	Measurement	Management manages risk by
Credit risk	Cash and cash equivalents, Loans carried at amortised cost Bank balances other than cash and cash equivalents	Aging analysis	Investing in bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investments measured at fair value through profit and loss	Sensitivity analysis	Diversification of portfolio of its assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

The Trust's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of Investment manager. The Board of Directors of Investment manager provides principles for overall risk management, as well as policies covering specific areas ,such as interest rate risk,credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Trust. The Trust is exposed to this risk for various financial instruments, for example by granting loans and making deposits, etc. The Trust's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- loans and receivables carried at amortised cost.

(a) Credit risk management

The Trust assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of counterparties, identified either individually or by the Trust, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Trust assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Assets under credit risk :

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024
Low	Cash and cash equivalents	222.83	461.18
	Bank balances other than cash and cash equivalents	1,163.91	953.02
High	Loans to related parties	1,14,182.74	37,897.97
	Total	**1,15,569.48**	**39,312.17**

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Loans and non-current investments measured at amortised cost

Loans measured at amortised cost and loans given to related parties, the credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

(b) Expected credit losses

Financial assets (other than trade receivables)

The Trust provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses.
- For cash and cash equivalents- Since the Trust deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans - Credit risk is evaluated based on the Trust's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans which has been given to its subsidiary companies, credit risk in respect of these loans is evaluated as high.

B) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Trust closely monitors its liquidity and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Trust has access to undrawn borrowing facilities under rupee term loan agreement at the end of the 31 March 2025 amounting to ₹ 70,500.00 millions and 31 March 2024 amounting to ₹ 4,751.57 millions.

b) Maturities of financial liabilities

The tables below analyse the Trust's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows net of processing fees.

As at 31 March 2025

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	11,070.68	14,364.57	11,586.35	36,048.94	**73,070.54**
Trade payable	21.86	-	-	-	**21.86**
Other financial liabilities	99.23	-	-	-	**99.23**
Total	**11,191.77**	**14,364.57**	**11,586.35**	**36,048.94**	**73,191.63**

As at 31 March 2024

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	6,014.08	15,222.15	5,939.75	29,084.32	**56,260.30**
Trade payable	142.37	-	-	-	**142.37**
Other financial liabilities	584.11	-	-	-	**584.11**
Total	**6,740.56**	**15,222.15**	**5,939.75**	**29,084.32**	**56,986.78**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

C) Interest rate risk

i) Liabilities

The Trust's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Trust's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Trust to interest rate risk:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowing	33,955.09	21,650.23
Fixed rate borrowing	13,905.58	13,988.17
Total borrowings	**47,860.67**	**35,638.40**
Amount disclosed under current borrowings	7,279.87	3,177.65
Amount disclosed under non current borrowings	**40,580.80**	**32,460.75**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Interest sensitivity*		
Interest rates – increase by 100 bps*	339.55	216.50
Interest rates – decrease by 100 bps*	(339.55)	(216.50)

** Holding all other variables constant*

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

D Foreign currency risk

The Trust has made few foreign currency transaction during the financial year ended 31 March 2025 ₹ 3.63 millions (31 March 2024: ₹ 10.50 millions). As at 31 March 2025 there is no foreign currency exposure. Hence, Trust is not exposed to any foreign currency risk.

Assets

The Trust's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E Price risk

i) Exposure

The entity's exposure to price risk arises from investments held and classified in the Balance Sheet at fair value through profit or loss. To manage the price risk arising from investments, the entity diversifies its portfolio of assets.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in price of mutual funds.

Particulars	As at 31 March 2025	As at 31 March 2024
Interest sensitivity*		
Interest rates – increase by 100 bps*	2.94	-
Interest rates – decrease by 100 bps*	(2.94)	-

** Holding all other variables constant*

36 Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may return capital to shareholders or issue new shares. The Trust monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within its net debt, borrowings less cash and cash equivalents.

Debt equity ratio

Particulars	As at 31 March 2025	As at 31 March 2024
Net debt*	**47,637.84**	**35,177.22**
Total equity	1,09,651.91	55,818.82
Net debt to equity ratio (in times)	**0.43**	**0.63**

Net debt*

Particulars	As at 31 March 2025	As at 31 March 2024
Non current borrowings (refer note 15)	40,580.80	32,460.75
Current borrowings (refer note 17)	7,279.87	3,177.65
Less: Cash and cash equivalents (refer note 9)	(222.83)	(461.18)
Net debt	**47,637.84**	**35,177.22**

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

37 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Trust's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given. The Trust is operating in India which is considered as a single geographical segment.

38 Assets pledged as security

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Investments (refer note 8)	549.05	174.91
Cash and cash equivalents and bank balances (refer note 9 and 10)	1,386.74	1,414.20
Loans (refer note 11)	7,183.68	2,212.06
Other current assets (refer note 12)	98.06	9.60
Total current assets pledged as security	**9,217.53**	**3,810.77**
Non-current		
Investments* (refer note 3)	41,382.62	52,665.68
Other non current financial assets (refer note 5)	0.50	0.50
Loans (refer note 4)	1,06,999.06	35,685.92
Non current tax assets (refer note 6)	2.10	-
Other non-current assets (refer note 7)	45.59	55.13
Total non-currents assets pledged as security	**1,48,429.87**	**88,407.23**
Total assets pledged as security	**1,57,647.40**	**92,218.00**

* out of the non-current investments mentioned above, investment in shares of GRICL amounting to ₹ 5,657.22 millions (31 March 2024: ₹ 5,657.22 millions) is not charged as security for the purpose of borrowings availed by the Trust.

39 Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

A Disaggregation of revenue

Revenue recognised mainly comprises of revenue from interest income on loans given to subsidiaries, interest income on investment made in subsidiaries, dividend received from subsidiaries, contract revenue. Set out below is the disaggregation of the Trust's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Operating revenue		
Interest on CCDs	61.89	-
Interest on OCDs	70.70	745.32
Interest on RTLs	7,167.89	2,742.37
Dividend income from related parties	9,697.20	1,576.22
Total revenue	**16,997.68**	**5,063.91**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year:

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Types of Products by nature	**Types of services by nature**		
Interest income	Over the period of time	7,300.48	3,487.69
Dividend income	At the point of time	9,697.20	1,576.22
Total revenue		**16,997.68**	**5,063.91**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(this space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

B Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract assets*		
Interest receivable on OCDs	0.02	0.74
Interest receivable on RTLs	3,807.99	643.13
Total	**3,808.01**	**643.87**

C There is no contract liability** balance as at 31 March 2025.

*Contract asset is the right to consideration in exchange for goods or services transferred to the customer.
** Contract liability is the Trust's obligation to transfer goods or services to a customer for which the Trust has received consideration from the customer in advance.

D There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement to the with the contracted price under the contract.

E The Trust recognised revenue when it satisfies the performance obligations as per the terms of relevant contracts entered with the customers.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

40 Financial ratios

Ratio	Numerator	Denominator	Unit of measurement	31 March 2025	31 March 2024	% Change	Remarks for changes in the ratio by more than 25% as compared to Previous year (refer foot note 1)
				Ratio	Ratio		
Current ratio	Current assets	Current liabilities	Times	1.24	0.98	27.17%	The variance is due to an increase in current borrowings and the current portion of the loan given to the subsidiary.
Debt- equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	Times	0.44	0.64	-30.58%	The variance is due to an increase in unit capital and borrowings.
Debt service coverage ratio	Profit/(loss) before tax + finance costs+ exceptional items	Finance costs + Principal repayment for borrowings	Times	3.68	2.24	64.70%	refer note 1
Return on equity ratio (%)	Profit/(loss) after tax	Average of total equity	Percentage	10.86%	-4.48%	-342.57%	The variance is due to an increase in net profit and unit capital during the year.
Inventory turnover ratio*	Costs of materials consumed	Average Inventory	Times	NA	NA	NA	NA
Trade receivable turnover ratio**	Revenue from operations	Average trade receivables	Times	NA	NA	NA	NA
Trade payable turnover ratio	Other expenses	Average trade payables	Times	11.81	3.62	225.88%	The variance is due to a decrease in trade payables compared to the current year.
Interest coverage ratio	Profit/(loss) before tax + finance costs	finance cost	Times	5.50	2.73	101.84%	The variance is due to an increase in net profit and finance costs during the year.
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	Times	9.43	(39.67)	-123.76%	The variance is due to an increase in revenue from operations during the year.
Operating margin	Profit/(loss) before tax+finance cost+exceptional items	Revenue from operations	Times	1.00	0.93	7.52%	refer note 1
Net profit ratio	Profit/(loss) after tax	Revenue from operations	Percentage	52.84%	-40.50%	-230.47%	The variance is attributable to higher net profit and increased revenue from operations during the year.
Return on capital employed (%)	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit/(loss) after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	Percentage	7.69%	0.28%	2837.95%	The variance is primarily due to an increase in net profit and revenue from operations during the year.
Return on investment (in %)	Revenue from operations	Instruments entirely equity in nature + Instruments in OCD and CCD +Rupee term loan given to SPV's	Percentage	10.91%	8.03%	35.85%	The variance is primarily attributable to an increase in revenue from operations during the year and investments made in the subsidiary.

Note:

* The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

** The Trust does not have any trade receivables, therefore, trade receivable turnover ratio is not applicable.

Note:

1. Variance is below 25% , hence no reason is explained.





41 **Distribution Related to FY 2023-2024:**
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 Februray 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2500 (rounded off) per unit amounting to ₹ 4,907.45 millions in their meeting held on 16 May 2025. Accordingly, the total distribution for the financial year ended 31 March 2025 stands at ₹12.3292 per unit (31 March 2024: ₹ 16.5576 per unit).

Further, the yield per unit for the financial year ended 31 March 2025 stands at 13.12% (31 March 2024: 19.41%) which have been calculated as (Total distribution per unit for the financial year ended 31 March 2025/NAV per unit) as disclosed in the standalone financial statement as at 31 March 2025.

42 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/InvIT/21-22/0019.

43 **Investment manager fees**
Pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concessions One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs') in the proportion of 20:80 amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment manager fees	70.43	74.64

44 The Trust acquired the following companies (Project SPV's) on following dates:
(i) Bangalore Elevated Tollway Private Limited on 12 June 2024; and
(ii) Rewari Bypass Private Limited ("RBPL") (Formerly known as H.G. Rewari Bypass Private Limited) on 20 February 2025.

45 **Reduction of equity share capital of subsidiaries:**
The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2025 from Registrar of Company ("ROC"). Necessary impacts have been considered in the audited standalone financial statement of the Trust for the year ended 31 March 2025.

46 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ('BETPL'). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). During the current year ended 31 December 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.
Accordingly, necessary impacts have been considered in the audited standalone financial statement of the Trust for the year ended 31 March 2025.

47 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 18 March 2024 from the NHAI.
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up equity share capital of RBPL on 20 Febuary 2025 ('acquisition date') for a total consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) from H.G Infra Engineering Limited, the said entity have become a subsidiary of the Trust. Accordingly, necessary impacts have been considered in the audited standalone financial results for the half year and year ended 31 March 2025.

48 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

49 **Scheme of arrangement by subsidiary company:**
During the year ended 31 March 2025, BETPL filled a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the hearing petitions, which is admitted by the NCLT on 04 March 2025. Management is currently awaiting next hearing date for order announcement.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

50 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:

(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principal approval for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle and final approval received from NHAI:

Name of entity	Date of In-principal approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

51 **Preferential allotment of units by the Trust:**

During the year ended 31 March 2025:

A. The Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount of ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.

B. Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount of ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.

(this space has been intentionally left blank)

52 During the year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI InvIT Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.

Further, during the quarter ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

53 During the year ended 31 March 2025, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:
(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

54 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and Further appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.

55 During the current year ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.

Further, during the half year quarter ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

56 During the previous year ended 31 March 2023, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) ('UTPL') in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the previous financial year ended 31 March 2024, the Trust has acquired 100% (one hundred percent) stake effective from 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust.

(this space has been intentionally left blank)





57 During the previous financial year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 28 July 2023 for the acquisition of the following Target Entities:
(i) Up to 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL upon exercise of their rights as applicable; and
(ii) 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2").

Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹20,745.93 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust during previous year ended 31 March 2024.

58 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:
(i) Availing additional fund-based credit facilities up to ₹ 36,000 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
(ii) Availing additional fund-based credit facilities up to ₹ 49,500 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.
During the quarter ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

59 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on 19 January 2024.

60 Other statutory information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Trust for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iii) The Trust has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iv) The Trust have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended 31 March 2025.

(v) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Trust does not have any transactions with struck - off companies.

(vii) The Trust has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.

61 During the previous year ended 31 March 2024, The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of GEPL on 12 June 2023. As per the NCLT order, the paid-up equity share capital of GEPL will be reduced from 23,380,840 equity shares of ₹10/- each to 20,155,033 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of GEPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognized in the statement of profit or loss of the standalone financial statement of the Trust.

62 Previous year figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these standalone audited financial statement.

63 All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07641366

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Abhishek Chhajer
Chief Financial Officer

Gajendra Mewara
Compliance Officer
M.No. ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report

To the Unitholders' of Highways Infrastructure Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Highways Infrastructure Trust ('the Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended, the Consolidated Statement of Net Assets at Fair Value as at 31 March 2025, the Consolidated Statement of Total Returns at Fair Value and the Consolidated statement of Net Distributable Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, as referred to in paragraph 16 below, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (hereinafter referred to as 'SEBI Master Circular') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in the Rule 2(1)(a) of the Companies Indian Accounting Standards Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in unitholder's equity for the year ended on that date, the consolidated net assets at fair value as at 31 March 2025, the consolidated total returns at fair value and the consolidated net distributable cash flows for the year then ended.

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Chartered Accountants

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SA's') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
1. Acquisition Accounting Refer note 2 (C) (c) for material accounting policy information and refer note 52 for the related disclosure in the consolidated financial statements. During the current year, the Trust has acquired 100% stake in Rewari Bypass Private Limited ("RBPL") for a cash consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions). The Investment manager of the Trust has applied the optional concentration test given under Ind AS 103, "Business Combination" ('Ind AS 103') to determine whether the aforesaid acquisition constituted a business combination or an asset acquisition and concluded that the acquired set of activities and assets is not a 'business' because substantially all of the fair value of the gross assets acquired is concentrated under Service Concession Arrangement (i.e. single identifiable asset). Accordingly, this transaction has been accounted for as an 'asset acquisition' in consolidated financial statements.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of management's process and evaluated the design of key controls over the acquisition accounting; b) Assessed the appropriateness of the accounting policy adopted by the Investment Manager of the Trust in accordance with Ind AS103; c) Obtained the share purchase agreement relating to the acquisition of RBPL and identified pertinent terms relevant to the accounting of the transaction in addition to comparing the underlying information inputs such as purchase consideration and net assets acquired; d) Examined the terms and conditions of the share purchase agreement in order to evaluate whether the Trust obtained the control of acquiree, the date for satisfaction of the closing conditions to determine the acquisition date, and the transaction price; e) Obtained management's evaluation with respect to whether the acquisition is considered as an asset acquisition including evaluation of optional concentration test under Ind AS 103;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
The Group has allocated the purchase consideration to the individual identifiable assets and liabilities acquired on the basis of their relative fair values at the date of acquisition. The management has appointed an independent valuation expert to determine the fair values of identifiable assets and liabilities using valuation model adopted by the expert, which involved significant management estimates and judgements including the model used, growth rate of the businesses acquired, discount rates etc., which involve high inherent estimation uncertainty. Any change in such estimates would have significantly affected the valuation of such assets and liabilities. Considering the materiality of amount involved, complexity of the transaction and significant judgment and estimates involved including assessing the nature of acquisition to be business acquisition or asset acquisition, the aforesaid acquisition accounting has been considered as a key audit matter for the current year audit.	f) Obtained valuation report prepared by the valuation expert appointed by the management and assessed the objectivity, capabilities and competency of the management's expert; g) Involved an auditor's valuation expert to assess the appropriateness of the valuation model used and reasonableness of the key assumptions used for fair valuation identifiable assets and liabilities; h) Assessed the appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager of the Trust considered in aforesaid fair valuation exercise (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); and i) Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements for compliance with the relevant requirements of Ind AS 103.
2. **Accounting for common control business combination** Refer note 2 (C) (b) for material accounting policy information and refer note 52 (a) (ii) for related disclosure in the consolidated financial statements. During the current year ended 31 March 2025, the Trust has invested in a special purpose infrastructure project entity ('SPV') i.e. Bangalore Elevated Tollways Private Limited ('BETPL') and acquired this entity on 12 June 2024 ('acquisition date') from Galaxy Investments II Pte Limited by issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for an equity consideration of ₹ 119.08 millions. Galaxy Investments II Pte Limited had earlier acquired 76% stake on 29 March 2023 and balance 24% on 24 August 2023 in the BETPL.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of management's process of business combination accounting and evaluated the design of the Trust's key controls over the accounting of business combination; b) Assessed the appropriateness of the accounting policy adopted by the Investment Manager of the Trust for the business combination in accordance with Appendix C to Ind AS 103; c) Obtained the share purchase agreement relating to the acquisition and identified pertinent terms relevant to the accounting of the transaction in addition to comparing the underlying information inputs such as purchase consideration, net assets acquired etc;

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
As defined under Appendix C to Ind AS 103 "Business combinations", 'Business combinations of entities under common control', means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The management has evaluated that the Investment Manager of the Trust is acting on behalf of Sponsor and primary unitholder of the Trust, Galaxy Investments II Pte Limited, while carrying out its responsibilities with respect to the Trust, and thus, the Trust and BETPL have considered to be ultimately controlled by Galaxy Investments II Pte Limited, both before and after the acquisition. Accordingly, the acquisition of BETPL by the Trust was determined to be a common control business combination accounted for using the 'Pooling of interests' method prescribed under Appendix C to Ind AS 103, according to which the assets, liabilities and reserves of BETPL have been recorded at their book values and the difference between the purchase consideration and the value of net identifiable assets acquired has been disclosed as Capital reserve amounting to ₹ 96.83 millions in other equity. Further, the comparative period presented in the consolidated financial statements has been restated as if the acquisition had occurred from beginning of preceding period i.e., 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024. Considering the magnitude of the transaction and management judgement involved, the aforesaid business combination treatment in consolidated financial statements has been considered as a key audit matter for the current year audit.	d) Obtained the signed financial statements of BETPL audited by MKPS & Associates as at 31 March 2023 and 31 March 2024 respectively; e) Tested the investment manager of the Trust's calculation of capital reserve and recomputed the same after considering purchase consideration discharged and net assets taken over; f) Evaluated management's assessment of accounting for the business combination and computation of restated comparative financial information and determined that it is appropriately accounted for in accordance with 'Pooling of interests' method prescribed under Appendix C to Ind AS 103; and g) Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements for compliance with the relevant requirements of Appendix C to Ind AS 103.

Key audit matter	How our audit addressed the key audit matter
3. Impairment of intangible assets recognized pursuant to service concession arrangement Refer note 37 for related disclosure in the consolidated financial statements. As at 31 March 2025, the carrying amount of intangible assets of the Group is ₹ 119,458.14 millions relating to licenses to collect toll from road infrastructure projects as an infrastructure concession operator under service concession arrangements accounted for in accordance with Appendix D of Ind AS 115, Service Concession Arrangements. Management regularly reviews whether there are any indicators of impairment and where impairment indicators exist, the management estimates the recoverable amounts of these assets, basis value in use. The value in use of the underlying assets is determined based on the discounted cash flow valuation method, which involves use of key assumptions such as discounting rate, expected change in traffic and toll rates. Such assumptions and estimates require significant management judgment due to high inherent estimation uncertainty. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the future cash flow projections, we have determined this as a key audit matter for the current year audit.	**Our audit procedures and procedures performed by component auditor included, but were not limited to, the following:** a) Obtained an understanding of the Group's policies and procedures to identify impairment indicators of intangible assets and for determining the fair valuation of intangible assets; b) Evaluated the design of the key controls implemented for identification of impairment indicators and fair valuation of intangible assets; c) Assessed the objectivity, capabilities and competency of management's valuation experts involved for performing required valuations to estimate the fair value; d) Involved an auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of assumptions applied by management's expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager of the Trust considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved;

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
	h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements in accordance with requirements of the applicable accounting standards.
4. Measurement of operation and maintenance and major maintenance expenses Refer note 20 to the consolidated financial statements. The Group is obligated to carry out operation and maintenance and major maintenance expenditure ("O&M and MM expenses") of the toll roads on periodic basis in accordance with service concession agreements with National Highways Authority of India ('NHAI') and respective state authorities ('the Authorities'). Measurement of major maintenance obligation is a key accounting estimate under both intangible assets model where the Group has a contractual right to charge users of the public service and financial asset model where the Group has a contractual right to receive cash from the Authorities. Further, operation and maintenance cost is also a key accounting estimate with respect to financial assets model accounting. The measurement of O&M and MM expenses obligations require detailed workings and includes management estimates of items of cost required for repair and maintenance including but not limited to quantity and cost of building material, labour and other expenses, etc, and the timing of such repairs needed which is dependent upon future usage of the assets. The Group reviews such estimated O&M and MM expense obligations on an annual basis. Considering the high inherent estimation uncertainty in measurement of O&M and MM expense obligations and materiality of amounts involved, we have considered this matter as a key audit matter in the current year audit.	**Our audit procedures and procedures performed by component auditors included, but were not limited to, the following:** a) Obtained an understanding of the process associated with the estimation of O&M and MM expenses; b) Verified the Group's obligations for such O&M and MM expenses as per terms of service concession agreements; c) Assessed the management's significant judgements / estimates used in evaluation of inputs for the purpose of measurement of O&M and MM expense obligations under financial assets model and/ or intangible assets model as applicable; d) Evaluated the workings, methodology and key assumptions adopted by the management in estimating such O&M and MM expenses in future, including projections of future use of assets, by reviewing terms of the service concession agreements, inputs from management's inhouse technical team, Group's actual cost experience and considering historical accuracy of such assumptions; e) Analysed changes in the estimates of O&M and MM expenses from prior periods and assessed the consistency of these changes with progress of the projects, if any, during the year; and f) Tested the arithmetic accuracy and evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements for compliance with applicable accounting standard.

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
5. Recoverability of Minimum Alternate Tax (MAT) credit asset: Refer note 2 (C) (f) for the material accounting policy information and note 21 for related disclosure in the consolidated financial statements. As at 31 March 2025 the Group has MAT credit asset of ₹ 2,641.01 millions, included under deferred tax assets that can be utilized against future income tax liabilities under the normal provision of the Income Tax Act, 1961 ('IT Act). Under Ind AS 12 'Income Taxes', the ability to recover the deferred tax asset is assessed by the management at each reporting date which depends on the estimates of future operations and taxable profits, the Group expects to earn within the period by which such MAT credit asset balance can be utilized as governed by the IT Act. There is a risk that the MAT credit may not be realized within the specified period, if the future projections are not met. Considering the materiality of the amounts and inherent subjectivity involved in management's estimation and judgement in determination of utilization of MAT credit assets through availability of sufficient future taxable income, recoverability of MAT credit asset has been considered as a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of the management's process for preparation of the future taxable income to support the recognition and recoverability of MAT credit asset; b) Evaluated the material accounting policy information with respect to recognition of MAT credit asset in accordance with Ind AS 12; c) Evaluated the design of the Group's key controls with respect to recognition and recoverability of the MAT credit asset; d) Assessed the appropriateness of Group's estimate regarding the utilisation of MAT credit asset within the time period specified under the provisions of the IT Act; e) Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Group, and tested the computation of utilization of MAT credit assets in such future years, in accordance with the provisions of the IT Act; f) Assessed the objectivity, capabilities and competency of management's experts involved for performing required valuations to estimate the projected taxable profits; g) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the projected taxable profits as approved by the Investment Manager of the Trust considered in assessment of recoverability of MAT (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); h) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts;

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
	i) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; j) Tested arithmetic accuracy of cash flows projections and future taxable profit workings; and k) Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements in accordance with requirements of the applicable accounting standards.
6. Computation and disclosures in Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value ("the Statements") as per SEBI Regulations Refer the statements disclosed in the accompanying consolidated financial statements pursuant to SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (as amended) ('SEBI Master Circular') issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Group carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions. Considering the importance of the disclosure required under the SEBI Regulations to the users of the consolidated financial statements, significant management judgement involved in determining the fair value of the assets of the Group, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI Master circular, pursuant to which the Statements are prepared by the Investment Manager of the Trust; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager of the Trust for computation and disclosure of the Statements; c) Assessed the objectivity, capabilities and competency of the management's experts involved for performing required valuations to estimate the fair value; d) Involved an auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of assumptions applied by management's expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager of the Trust considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs).

Key audit matter	How our audit addressed the key audit matter
	f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Board of Directors of Highway Concessions One Private Limited ("Investment Manager of the Trust") are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Investment Manager and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust). The Investment Manager of the Trust is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in unit holders' equity, consolidated cash flows, consolidated net assets at fair value, consolidated total returns at fair value and consolidated net distributable cash flows of the Group in accordance with the accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Master Circular. The respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Investment Manager of the Trust, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and entities included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager of the Trust;

- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Director of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and



Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of ₹ 25,697.27 millions as at 31 March 2025, total revenues of ₹ 10,268.48 millions and net cash inflows amounting to ₹ 2,072.75 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Investment Manager of the Trust and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.



Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Report on Other Legal and Regulatory Requirements

16. Based on our audit and on the consideration of the reports of the other auditors referred to in paragraph 16 above on separate financial statements of the subsidiaries and as required by the SEBI Regulations, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss (including Other comprehensive Income) are in agreement with the relevant books of account of the Trust; and

c) in our opinion, the aforesaid consolidated financial statements comply with Ind AS.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Manish Agrawal
Partner
Membership No.: 507000

UDIN: 25507000BMMKPV6460

Place: Mumbai
Date: 16 May 2025

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2025 (Cont'd)

Annexure 1

List of subsidiaries included in the Statement (in addition to the Trust)

1. Jodhpur Pali Expressways Private Limited ("JPEPL")
2. Godhra Expressways Private Limited ("GEPL")
3. Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)
4. Dewas Bhopal Corridor Private Limited ("DBCPL")
5. Shillong Expressways Private Limited ("SEPL")
6. Ulundurpet Expressways Private Limited ("UEPL")
7. Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited)
8. Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited)
9. Gurgaon Sohna Highway Private Limited ("GSHPL")
10. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited)
11. Swarna Tollway Private Limited ("STPL")
12. Gujarat Road and Infrastructure Company Limited ("GRICL")
13. Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
14. North Telangana Expressway Private Limited ("NTEPL") w.e.f. 14 October 2024
15. Rewari Bye-pass Private Limited (RBPL) w.e.f. 20 February 2025



Highways Infrastructure Trust
Consolidated Balance Sheet as at 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
ASSETS			
Non-current assets			
Property, plant and equipment	3	462.77	384.12
Capital work-in-progress	4	2.48	50.98
Goodwill	4A	-	-
Other intangible assets	5	1,19,458.14	57,948.28
Financial assets			
Other financial assets	6	9,060.53	8,710.62
Deferred tax assets (net)	21	454.12	338.00
Non-current tax assets (net)	7	465.11	502.08
Other non-current assets	8	331.38	127.26
Total non-current assets		**1,30,234.53**	**68,061.34**
Current assets			
Inventories	9	24.00	-
Financial assets			
Investments	10	1,022.45	9,178.37
Trade receivables	11	164.95	313.08
Cash and cash equivalents	12	4,521.97	1,283.62
Bank balances other than cash and cash equivalents above	13	2,774.10	8,259.40
Other financial assets	14	3,557.02	2,789.52
Other current assets	15	1,018.55	678.70
Total current assets		**13,083.04**	**22,502.69**
Total assets		**1,43,317.57**	**90,564.03**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	16	1,28,610.63	68,590.00
Other equity	17	(53,221.97)	(42,617.47)
Equity attributable to unit holders of the Trust		**75,388.66**	**25,972.53**
Non controlling interests		4,105.64	5,634.04
Total equity		**79,494.30**	**31,606.57**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	18	41,800.92	37,090.68
Other financial liabilities	19	1,613.88	1,587.31
Provisions	20	1,639.60	894.38
Deferred tax liabilities (net)	21	6,011.18	6,426.84
Other non-current liabilities	22	28.84	31.88
Total non-current liabilities		**51,094.42**	**46,031.09**
Current liabilities			
Financial liabilities			
Borrowings	23	7,526.36	4,168.66
Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		126.84	54.83
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,376.53	3,523.46
Other financial liabilities	25	931.87	1,854.98
Other current liabilities	26	419.04	294.25
Provisions	27	2,341.36	3,018.87
Current tax liabilities (net)	28	6.85	11.32
Total current liabilities		**12,728.85**	**12,926.37**
Total liabilities		**63,823.27**	**58,957.46**
Total equity and liabilities		**1,43,317.57**	**90,564.03**
Summary of material accounting policy information	2		

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Abhishek Chhajer
Chief Financial Officer

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: 16 May 2025

Gajendra Mewara
Compliance Officer
M No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Consolidated Statement of Profit and Loss for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Income and gains			
Revenue from operations	29	21,271.50	19,991.50
Interest income from bank deposits		472.19	354.70
Profit on sale of assets/investments	29A	452.72	255.12
Other income	30	793.28	118.43
Total income and gains		**22,989.69**	**20,719.75**
Expenses and losses			
Employee benefits expense	31	313.32	173.13
Finance costs			
- Interest on term loan, non convertible debentures and others	32	3,297.69	2,799.31
- Other finance costs	33	548.80	439.48
Operation and maintenance expenses		1,647.47	1,034.64
Provision for major maintenance obligation		2,009.41	1,461.28
Operating expenses	34	800.96	7,874.72
Independent consultancy and project monitoring fees		122.82	88.06
Depreciation on property, plant and equipment		108.00	50.52
Amortisation of intangible assets		6,498.48	3,172.61
Valuation expenses		2.70	3.12
Audit fees (statutory auditor of Trust)	35	26.56	25.21
Audit fees (auditor of subsidiaries)		13.19	6.54
Insurance expenses		89.05	52.20
Project management fees	55	271.43	171.05
Investment manager fees	55	340.96	367.20
Management support services fee		1.91	9.02
Trustee fees		3.09	4.18
Rating fees		15.83	18.97
Corporate social responsibility		118.48	32.15
Legal and professional		168.55	432.92
Other expenses	35	390.30	81.37
Total expenses and losses		**16,789.00**	**18,297.68**
Profit before exceptional items and tax for the year		**6,200.69**	**2,422.07**
Exceptional items	37	-	(3,689.54)
Profit/(Loss) before tax for the year		**6,200.69**	**(1,267.47)**
Tax expense	39		
Current tax		1,357.65	505.87
Deferred tax		(605.32)	(243.02)
Total Tax expense		**752.33**	**262.85**
Net profit/ (loss) for the year		**5,448.36**	**(1,530.32)**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement (losses)/gains on defined benefit obligations		2.19	(0.65)
Income tax relating to these items		(0.67)	(0.40)
Total other comprehensive income/(loss) for the year		**1.52**	**(1.05)**
Total comprehensive income/ (loss) for the year		**5,449.88**	**(1,531.37)**
Net profit/ (loss) for the year attributable to			
Unit holders of the Trust		4,681.11	(1,606.11)
Non-controlling interests		767.25	75.79
Other comprehensive income/ (loss) for the year attributable to			
Unit holders of the Trust		2.55	0.14
Non-controlling interests		(1.03)	(1.19)
Total comprehensive income/ (loss) for the year attributable to			
Unit holders of the Trust		4,683.66	(1,605.97)
Non-controlling interests		766.22	74.60

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Consolidated Statement of Profit and Loss for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Earnings per unit capital (Nominal value of unit capital ₹100 per unit)	40		
Basic (₹)		5.04	(3.22)
Diluted (₹)		5.04	(3.22)
Summary of material accounting policy information	2		

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
s Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Abhishek Chhajer
Chief Financial Officer

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
M No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
A. Cash flows from operating activities		
Profit/ (loss) before tax for the year	**6,200.69**	**(1,267.47)**
Adjustments for:		
Depreciation on property, plant and equipment	108.00	50.52
Amortization of intangible assets	6,498.48	3,172.61
Gain on sale of property, plant and equipment (net)	(3.82)	(0.77)
Gain on sale of investments (net)	(448.90)	(198.52)
Loss/ (gain) on investments measured at fair value through profit and loss (net)	68.13	(55.83)
Excess provisions written back	(83.08)	(50.23)
Bad debts written off	0.62	1.83
Impairment of intangible assets	-	587.81
Impairment of goodwill (refer note 37)	-	3,101.73
Interest income from bank deposits	(472.19)	(354.70)
Finance cost		
Interest on term loan, non convertible debentures and others	3,297.69	2,799.31
Unwinding finance cost on deferred payment to National Highways Authority of India ('NHAI')	185.45	181.66
Unwinding of discount on provisions and financial liabilities carried at amortised cost	61.69	56.97
Unwinding of discount on provision for major maintenance	157.07	100.81
Finance and bank charges	136.30	85.58
Modification loss on financial liability	-	14.46
Modification loss on financial assets	186.11	-
Gain on modification of annuity	-	(41.19)
Operating profit before working capital changes and other adjustments	**15,892.24**	**8,184.58**
Working capital changes and other adjustments:		
Trade receivables	147.51	155.61
Other financial assets	1,111.45	1,967.91
Inventories	(24.00)	-
Other assets	(336.33)	114.37
Trade payables	(2,337.37)	2,668.26
Provisions	(87.14)	29.94
Other financial liabilities	(601.18)	18.48
Other liabilities	40.05	113.85
Cash flow from operating activities post working capital changes	**13,805.23**	**13,253.00**
Income tax paid (net of refund)	(1,430.82)	(779.86)
Net cash flow from operating activities (A)	**12,374.41**	**12,473.14**
B. Cash flows from investing activities		
Acquisition of a subsidiaries (refer note 52)	(1,330.72)	(29,712.94)
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(67,628.75)	(166.31)
Proceeds from disposal of property, plant and equipment	7.82	7.83
Proceeds from maturity of bank deposits	6,162.09	555.97
Redemption/(Purchase) of current investments (net)	8,536.69	(7,004.71)
Net cash used in investing activities (B)	**(54,252.87)**	**(36,320.16)**
C. Cash flows from financing activities		
Proceeds from issuance of preference share	-	24.42
Redemption of preference share	-	(244.19)
Proceeds from issuance of units	59,901.55	27,040.00
Proceeds from long term borrowings	19,047.37	22,439.07
Payment of short term borrowings	(13,050.68)	(18,158.93)
Processing fees paid	(59.29)	(139.60)
Finance costs paid	(3,667.94)	(2,318.72)
Unit issue expenses	(8.39)	(51.65)
Distribution made to unit-holders (refer note 57)	(15,160.69)	(4,953.52)
Dividend paid to the non controlling interests	(2,294.62)	-
Net cash flow from financing activities (C)	**44,707.31**	**23,636.88**
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2,828.85**	**(210.14)**
E. Cash and cash equivalents at the beginning of the year	1,283.62	363.68
F. Addition on account of business combinations (refer note 52)	409.50	1,130.08
Cash and cash equivalents at the end of the year (D+E+F) (Refer note 12)	**4,521.97**	**1,283.62**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Non-cash financing and investing activities		
Settlement of a purchase consideration through the issue of units (Refer note 52(ii))	119.08	-
Settlement of liabilities acquired in business combination through the issue of units	3,863.26	-

Note: The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes form an integral part of the consolidated financial statements.
This is the Statement of Cash Flows referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership Number: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Abhishek Chhajer
Chief Financial Officer

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
M No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Consolidated Statement of Changes in Unit Holders' Equity for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

A Unit capital*

Particulars	Number of units	Amount
Balance as at 01 April 2023	41,55,00,000	41,550.00
Changes in unit capital	33,13,85,834	27,040.00
Balance as at 31 March 2024	**74,68,85,834**	**68,590.00**
Changes in unit capital	76,30,98,164	60,020.63
Balance as at 31 March 2025	**1,50,99,83,998**	**1,28,610.63**

* refer note 16 for further details

B Other equity

Particulars	Units pending issuance (Refer note 52(a)(ii))	Equity component of loan to related parties	Reserves and surplus							Total Attributable to unit holders of the Trust	Attributable to non - controlling interest	Total
			Capital redemption reserve	Securities premium reserve	Debenture redemption reserve	Capital reserve	Amalgamation adjustment deficit account	General reserve	Retained earnings			
Balance as at 01 April 2023	164.09	384.95	2.83	3,685.47	29.95	-	(28,514.39)	65.89	(15,259.50)	(37,440.71)	(2.68)	(37,443.39)
Net (loss)/ profit for the year	-	-	-	-	-	-	-	-	(1,606.11)	(1,606.11)	75.79	(1,530.32)
Other comprehensive income/(loss):												
Re-measurement gains / (losses) on defined benefit obligations	-	-	-	-	-	-	-	-	0.14	0.14	(1.19)	(1.05)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(1,605.97)	(1,605.97)	74.60	(1,531.37)
Units issue expenses#	-	-	-	-	-	-	-	-	(51.65)	(51.65)	-	(51.65)
Transaction cost relating to buy back of preference shares of SEPL	-	-	-	-	-	-	-	-	(15.36)	(15.36)	-	(15.36)
Transfer from security premium to retained earnings pursuant to capital reduction on GEPL	-	-	-	(1,500.00)	-	-	-	-	1,500.00	-	-	-
Utilisation of incumbent premium for redemption of preference shares	-	-	-	(167.03)	-	-	-	-	-	(167.03)	(52.74)	(219.77)
Adjustment on account of acquisition of minority interest	51.82	-	-	392.74	30.27	-	-	-	(530.25)	(55.42)	55.42	-
Add: Acquisition of subsidiaries (refer note 52 (b))	-	-	-	-	-	1,671.99	-	-	-	1,671.99	5,559.44	7,231.43
Distribution to unitholders	-	-	-	-	-	-	-	-	(4,953.52)	(4,953.52)	-	(4,953.52)
Balance as at 31 March 2024	215.91	384.95	2.83	2,411.18	60.22	1,671.99	(28,514.39)	65.89	(18,916.05)	(42,617.47)	5,634.04	(36,983.43)
Net profit for the year	-	-	-	-	-	-	-	-	4,681.11	4,681.11	767.25	5,448.36
Other comprehensive income												
Re-measurement gains/ (losses) on defined benefit obligations	-	-	-	-	-	-	-	-	2.55	2.55	(1.03)	1.52
Total comprehensive income for the year	-	-	-	-	-	-	-	-	4,683.66	4,683.66	766.22	5,449.88
Units issue expenses#	-	-	-	-	-	-	-	-	(8.39)	(8.39)	-	(8.39)
Transferred from debenture redemption reserve to general reserve	-	-	-	-	(60.22)	-	-	60.22	-	-	-	-
Issue of units (Refer note 52(a)(ii))	(215.91)	-	-	-	-	-	-	-	-	(215.91)	-	(215.91)
Adjustment pursuant to business combination under common control (Refer note 52(a)(ii))	-	-	-	-	-	96.83	-	-	-	96.83	-	96.83
Distribution to unitholders^	-	-	-	-	-	-	-	-	(15,160.69)	(15,160.69)	-	(15,160.69)
Dividend paid^	-	-	-	-	-	-	-	-	-	-	(2,294.62)	(2,294.62)
Balance as at 31 March 2025	-	384.95	2.83	2,411.18	-	1,768.82	(28,514.39)	126.11	(29,401.47)	(53,221.97)	4,105.64	(49,116.33)

Unit issue related expenses are expenses incurred in relation to the right Issue and preference issue of units by the Trust.

^ Pertains to the distributions made during the FY 2024-25 along with the distribution related to the last quarter of FY 2023-24 and does not exclude the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (SEBI Regulations) and includes interest, dividend and repayment of capital.

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Unit Holders' Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507080

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312934

Place: Mumbai
Date: 16 May 2025

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641866

Place: Mumbai
Date: 16 May 2025

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

Gajendra Mewara
Compliance Officer
M.No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Consolidated Statement of Net Assets at Fair Value and Total Return at Fair Value as at 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

A. Consolidated Statement of net assets at fair value

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2024 (refer note 2)	
	Book value	Fair value #	Book value*	Fair value*	Restated book value	Restated fair value
A. Assets	1,43,316.80	2,05,709.51	82,085.85	1,15,072.95	90,564.04	1,25,568.72
B. Liabilities (at book value)	63,823.27	63,823.27	51,362.17	51,362.17	58,957.46	58,957.46
C. Net assets (A-B)	79,493.53	1,41,886.24	31,621.68	63,710.78	31,606.58	66,611.26
D. No of units (in millions)	1,509.98	1,509.98	746.89	746.89	Refer note 3	Refer note 3
E. NAV (C/D)	52.65	93.97	42.34	85.30	Refer note 3	Refer note 3

Fair values of total assets relating to the Trust as at 31 March 2025 as disclosed above are primarily based on the fair valuation report of the registered valuer appointed by the Trust by the Trust under SEBI (Infrastructure Investment Trust) Regulations, 2014.

* This is as per the disclosures made in the general purpose financials statements of Highways Infrastructure Trust as at and for the financial year ended 31 March 2024.

Project wise break up of fair value of assets as at 31 March 2025:

Projects	Fair value** As at 31 March 2025	Fair value** As at 31 March 2024	Restated fair value** As at 31 March 2024 (refer note 2)
Highways Infrastructure Trust	1,826.72	420.22	420.22
Shillong Expressways Private Limited (SEPL)	358.11	679.81	679.81
Ulundurpet Expressways Private Limited (UEPL)	4,512.13	4,967.19	4,967.19
Dewas Bhopal Corridor Private Limited (DBCPL)	18,691.69	17,283.49	17,283.49
Godhra Expressways Private Limited (GEPL)	31,034.92	25,666.73	25,666.73
Nirmal BOT Private Limited (NBPL)	987.87	1,219.24	1,219.24
Jodhpur Pali Expressways Private Limited (JPEPL)	7,187.74	6,229.29	6,229.29
Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited)	11,353.57	10,562.15	10,562.15
Rewari Ateli Highway Private Limited ('RAHPL') (formerly, H.G. Rewari Ateli Highway Private Limited)	2,658.19	2,791.60	2,791.60
Gurgaon Sohna Highway Private Limited ('GSHPL')	2,921.01	3,297.92	3,297.92
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) ('ANHPL')	4,861.29	5,379.31	5,379.31
Swarna Tollway Private Limited ('STPL')	18,065.22	22,929.69	22,929.69
Gujarat Road And Infrastructure Company Limited ('GRICL')	14,013.52	13,646.31	13,646.31
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f.12 June 2024	3,335.98	-	10,495.77
North Telangana Expressway Private Limited ("NTEPL") w.e.f. 15 October 2024	80,211.95	-	-
Rewari Bypass Private Limited ("RBPL") (formerly known as 'HG Rewari Bypas Private Limited') w.e.f. 20 February 2025	3,689.80	-	-
Total Assets	**2,05,709.51**	**1,15,072.95**	**1,25,568.72**

**Fair values of assets as disclosed above are the fair values of the total assets of the Group which are included in the Consolidated Financial Statements.

B. Statement of consolidated total return at fair value:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	Restated For the year ended 31 March 2024 (refer note 2)
Total comprehensive income for the year (as per the Consolidated Statement of Profit and Loss)	5,449.88	(2,011.04)	(1,531.37)
Add: Other changes in fair value for the year (refer note 1)	8,452.50	56,881.11	61,209.48
Total return	**13,902.38**	**54,870.07**	**59,678.11**

Note 1:
In the above statement, other changes in fair value for the financial year ended 31 March 2025 has been computed based on the difference in fair values of total assets of the Project SPVs as at 31 March 2025 and as at 31 March 2024 (except for North Telangana Expressway Private Limited and Rewari Bypass Private Limited which is based on the difference between the fair value of total assets as at 31 March 2025 and as at acquisition/take over date. Fair valuation of total assets are based on the valuation report of the independent valuer.

Note 2:
During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). Galaxy Investments Pte. II Ltd had earlier acquired 76% stake on 29 March 2023 and balance 24% stake on 24 August 2023 in BETPL.

Pursuant to Ind AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and BETPL are ultimately controlled by Galaxy Investments Pte. II Ltd both before and after the acquisition. Accordingly Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

Accordingly the Trust has also restated and presented comparative audited consolidated statement of net assets at fair value as at 31 March 2024 and consolidated total return at fair value for period 01 April 2023 to 31 March 2024 as if the acquisition had occurred from beginning of the preceding period i.e 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

Note 3:
The number of units issued by Highways Infrastructure Trust to investors in connection with the above mentioned acquisition have been issued on 12 June 2024 and these units were not in existence in comparative period. Accordingly, disclosure in respect of restated Net Asset Value (NAV) per unit have not been given as at 31 March 2024, as the units were not in existence.

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Return at Fair Value referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Abhishek Chhajer
Chief Financial Officer

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: 16 May 2025

Gajendra Mewara
Compliance Officer
M No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(i) Highways Infrastructure Trust

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cashflows from operating activities of the Trust (A)**	**(456.95)**	**(527.61)**
2	Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	17,146.26	13,722.29
3	Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis).	189.80	110.34
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(3,138.79)	(1,823.54)
5	Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units).	(431.32)	(377.66)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations.	108.82	(42.88)
	Total adjustments at the Trust level (B)	**13,874.77**	**11,588.55**
	Net distributable cash flows before amount retained by Trust as per SEBI guidelines (C =A+B)	**13,417.82**	**11,060.94**
	Amount (retained)/released by the Trust (D)	(354.87)	196.58
	Net distributable cash flows (E)=(C+D)	**13,062.95**	**11,257.52**

Notes:

1 Finance cost on borrowings includes interest paid on unsecured commercial papers ₹ 242.67 millions, interest paid on term loan and non convertible debentures ₹ 2,828.44 millions, processing fees related to borrowings ₹ 59.29 millions and issue expenses relating to preferential allotment of units ₹ 8.39 millions, these issue related expenses which are disclosed under other equity.

2 During the year ended 31 March 2025, proceeds from right issue of units by the Trust to the extent of ₹ 97.86 millions were used for repayment of external debt. Such utilisation is in the nature of refinancing from funds raised through issuance of units and ₹ 994.70 millions received as repayment of unsecured loan from the SPV (outside the NDCF) which was given for Major maintenance related work and has been excluded in above computation of NDCF, thus the repayment of external debt is represented as ₹ 431.32 millions which is ₹ 1,523.88 millions less ₹ 97.86 millions, and less ₹ 994.70 millions.

3 In UTPL, distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 53.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

4 In NBPL, distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

5 In RAHPL, the distribution till December 2024, was ₹ 587.00 millions against the NDCF for the period ended 31 December 2024 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

6 For the calculation of debt repayment at the Trust level, Trust has not considered the repayment of commercial papers amounting to ₹ 5,500.00 millions which got refinanced through issue of unsecured commercial papers (refer note 12) for an amount of ₹ 5,257.33 millions.

7 During the current year ended 31 March 2025, the Trust has release fund from Debt Service Reserve Account ("DSRA") ₹ 112.22 millions, and the same has been reflected in reserve. Additionally, the Trust has created DSRA of ₹ 312.10 millions, out of which ₹ 308.71 millions was funded through debt thus not considered in NDCF calculation

8 The distribution has been computed for the year ended 31 March 2025, it includes the opening cash and bank balances available for distribution and does not included any amount from the loans raised by the Trust/Company during the year.

9 Distribution for the period ended 31 December 2024 was in compliance with SEBI regulations maintaining minimum 90% distribution of NDCF. However there was no annuity receipt during quarter ended 31 March 2025 and major maintenance expenses are largely incurred in quarter ended 31 March 2025 (refer note 3, note 4 and note 5 above), the NDCF for quarter ended 31 March 2025 turned negative and impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹67.82 millions, which will be held at the Trust level and will not be distributed to unitholders.

10 As per SEBI regulation, the Trust has to distribute minimum 90% of NDCF to its unitholders. Accordingly, the Trust has retained ₹ 354.87 millions from NDCF to meet 90% threshold. Out of this retained amount ₹ 91.10 millions used for on-lending to SPV's as temporary cash support which is not deductible as per the revised format of NDCF framework defined under SEBI Regulations. Thus, cash and cash equivalent available with the Trust as of 31 March, 2025 is ₹ 263.77 millions.

(This space has been intentionally left blank)

Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

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

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,777.11**	**1,702.18**
2	Add: Opening cash and bank balance	143.17	143.30
3	Add: Treasury income/income from investing activities	28.16	27.03
4	Less: Finance cost on Borrowings, excluding amortization of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(83.62)	(2.02)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations.	(153.61)	(142.21)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(6.23)	(7.56)
	Total adjustments at the SPV level (B)	**(72.13)**	**18.54**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,704.98**	**1,720.72**
	Amount kept aside as per SEBI guideline (D)	**(3.87)**	**(0.96)**
	Net distributable cash flows (E)=(C+D)	**1,701.11**	**1,719.76**

Notes:

1 Amount reflected in opening cash and bank balance as on 01 April 2024 represent reserves created ₹ 142.21 millions and amount kept aside ₹ 0.96 millions as per SEBI guidelines as on 31 March 2024.

2 Reserves created for the current period ended 31 March 2025 include amount kept in fixed deposits amounting to ₹ 151.49 millions with bank as lien for bank guarantee issued to Madhya Pradesh Road Development Corporation Limited (Concession Authority) as per Concessions agreement and unspent corporate social responsibilities (CSR) amounting to ₹ 2.12 millions.

3 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.





Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(iii) Nirmal BOT Private Limited ("NBPL")

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**117.94**	**266.00**
2	Add: Opening cash and bank balance	-	54.13
3	Add: Treasury income/income from investing activities	11.56	17.18
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(2.45)	(0.00)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(6.43)	(0.14)
	Total adjustments at the SPV level (B)	**2.68**	**71.17**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**120.62**	**337.17**
	Amount kept aside as per SEBI guideline (D)	-	-
	Net distributable cash flows (E)=(C+D)	**120.62**	**337.17**

Notes:

1 During the previous year ended 31 March 2024, The Company has received ₹ 245.79 millions as loan for major maintenance (MM) related work. This was provided by external lender to the Trust for MM purpose and in turn, the Trust has funded to Company for MM purpose. Under the NDCF framework adopted by the Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024), the inflows from such MM loans are not considered while the MM expenses have been reduced from cashflows from operating activities of the Company.
During the year Company has repaid ₹ 60.79 millions out of loan for MM amounting to ₹ 245.79 millions outside the NDCF, which was used by Trust to repay to its external lenders.

2 Distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

3 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financials for year ended 31 March 2023, out of this ₹ 10.00 millions pertaining to quarter ended 31 March 2024 was distributed in the quarter ended 30 June 2024 and the balance cash amount of was ₹ 54.13 millions as at 31 March 2024 and same is disclosed as opening cash balance and used for distribution during the current year ended 31 March 2025. This is as per point no 5(iii) of revised framework for computation of NDCF pursuant to SEBI Master Circular.

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(iv) Jodhpur Pali Expressway Private Limited ("JPEPL")

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**461.71**	**444.57**
2	Add: Opening cash and bank balance	-	5.85
3	Add: Treasury income/income from investing activities	9.19	19.57
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	-	(0.59)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(8.54)	(20.74)
	Total adjustments at the SPV level (B)	**0.65**	**4.09**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**462.36**	**448.66**
	Amount kept aside as per SEBI guideline (D)	(8.88)	-
	Net distributable cash flows (E)=(C+D)	**453.48**	**448.66**

Notes:

1 During the financial year ended 31 March 2023, Company has received ₹ 350.00 millions as a loan for MM related work. During the current financial year ended 31 March 2025, Company has repaid ₹ 98.53 millions out of loan for MM amounting to ₹ 350.00 millions which is outside the NDCF, and the same was used by the Trust to repay to its external lenders.

2 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

(This space has been intentionally left blank)

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,596.63**	**1,427.40**
2	Add: Opening cash and bank balance	-	52.43
3	Add: Treasury income/income from investing activities	11.87	14.21
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.40)	(0.73)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(148.73)	(128.13)
	Total adjustments at the SPV level (B)	**(137.26)**	**(62.22)**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,459.37**	**1,365.18**
	Amount kept aside as per SEBI guideline (D)	**(5.91)**	-
	Net distributable cash flows (E)=(C+D)	**1,453.46**	**1,365.18**

Notes:

1 Capital expenditure includes premium in the form of additional concession fees paid to National Highways Authority of India ('NHAI').

2 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

3 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is ₹ 71.08 millions as per audited financials for year ended 31 March 2023, out of this ₹ 18.65 millions pertaining to quarter ended 31 March 2024 was distributed in the quarter ended 30 June 2024 and the balance cash amount of was ₹ 52.43 millions as at 31 March 2024 and same is disclosed as opening cash balance and used for distribution during the current year ended 31 March 2025. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations.

(This space has been intentionally left blank)

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,018.98**	**1,434.49**
2	Add: Opening cash and bank balance	194.41	20.26
3	Add: Treasury income/income from investing activities	56.23	27.48
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.02)	(0.51)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(1.91)	(194.42)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(3.69)	(1.90)
	Total adjustments at the SPV level (B)	**245.02**	**(149.09)**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,264.00**	**1,285.40**
	Amount kept aside as per SEBI guideline (D)	-	-
	Net distributable cash flows (E)=(C+D)	**1,264.00**	**1,285.40**

Notes:

1 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financials for year ended 31 March 2023. This is as per point no 5 of revised framework for computation of NDCF pursuant to SEBI Master Circular..

2 Reserves as at 31 March 2025 amounting to ₹ 1.91 millions is created for unspent CSR spends.

3 As per calculation of NDCF for the previous year ended 31 March 2024, there should be distribution to extent of ₹ 1479.81 millions (before the creation of reserves of ₹ 194.41 millions). However, due to lack of avenues for distribution such as negative free reserve under The Companies Act, 2013 and lower debt from the Trust, the Company could not meet requirement of minimum 90% distribution for previous year ended 31 March 2024. Pursuant to approval of capital reduction by NCLAT in January 2025, this can be distributed. Hence, ₹ 194.41 is included as opening cash and bank balance for financial year ended 31 March 2025.

4 During the previous year, the Company has received ₹ 312.5 millions as Loan for MM (In addition to ₹ 70 millions received for MM purpose during the year ended 31 March 2023), however the same has not been applied for MM work as on year ended 31 March 2024 and year ended 31 March 2025, entire ₹ 382.5 millions is available under Cash & bank balance (including Investment). This surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to the Trust (and such repayment will not be considered to be part of NDCF).

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	335.31	76.73
2	Add: Opening cash and bank balance	-	186.03
3	Add: Treasury income/income from investing activities	19.41	14.78
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	-	(0.49)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(62.89)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	-	(0.19)
	Total adjustments at the SPV level (B)	(43.48)	200.13
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	291.83	276.86
	Amount kept aside as per SEBI guideline (D)	-	-
	Net distributable cash flows (E)=(C+D)	291.83	276.86

Notes:

1 During the previous year ended 31 March 2024, The Company has received ₹ 400.66 millions as loan for major maintenance (MM) related work. This was provided by External lender to the Trust for MM purpose and in turn, the Trust has funded to Company for MM purpose. Under the NDCF framework adopted by the Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024), the inflows from such MM loans are not considered while the MM expenses have been reduced from cashflows from operating activities of the Company.

2 MM expenses charged to statement of profit and loss account in the year of incurrence. cash flow from operating activities considered above as per cash flow statement is after MM expenses amounting to ₹ 359.00 millions incurred during the year ended 31 March 2024. During the year Company has repaid ₹ 219.57 millions out of loan for MM amounting to ₹ 400.66 millions outside the NDCF, which was used by the Trust to repay to its external lenders.

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(viii) Swarna Tollway Private Limited ("STPL") (subsidiary w.e.f. 24 January 2024)

S. No.	Particulars	Year ended 31 March 2025	For the period from 24 January 2024 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**2,160.07**	**113.36**
2	Add: Opening cash and bank balance	307.23	4,281.02
3	Add: Treasury income/income from investing activities	172.84	95.04
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.18)	(20.22)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(17.15)	(0.67)
	Total adjustments at the SPV level (B)	**462.74**	**4,355.17**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**2,622.81**	**4,468.53**
	Amount kept aside as per SEBI guideline (D)	(12.96)	(307.23)
	Net distributable cash flows (E)=(C+D)	**2,609.85**	**4,161.30**

Notes:

1 Amount reflected in opening cash and bank balance represent the amount retained by the SPV as on 01 April 2024 of current financial year.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 25 January 2024 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 24 January 2024 is per audited interim financial information of the Company was ₹ 4,281.02 millions (including other financial asset) excluding interest accrued on fixed deposits.

3 During the previous year ended 31 March 2024, the Company received a loan amounting to ₹ 520.00 millions for MM work, which was fully repaid during the current year ended 31 March 2025. This transaction does not form part of the NDCF as per the revised framework.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.





Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(ix) Ateli Narnaul Highway Private Limited ("ANHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**916.48**	**439.88**
2	Add: Opening cash and bank balance	60.00	554.60
3	Add: Treasury income/income from investing activities	14.67	4.52
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.43)	(91.50)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(1.39)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations.	-	(2.23)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years.	(4.82)	(0.66)
	Total adjustments at the SPV level (B)	**69.42**	**463.34**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**985.90**	**903.22**
	Amount kept aside as per SEBI guideline (D)	(98.59)	(57.77)
	Net distributable cash flows (E)=(C+D)	**887.31**	**845.45**

Notes:

1 Amount reflected in opening cash and bank balance for the year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 57.77 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 2.23 millions.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 554.60 millions.

3 Reserves amounting to ₹ 2.23 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

4 As per revised NDCF framework, minimum upto 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the revised format of NDCF framework defined under SEBI Regulations.

Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(x) Rewari Ateli Highway Private Limited ("RAHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**540.63**	**212.08**
2	Add: Opening cash and bank balance	46.01	336.68
3	Add: Treasury income/income from investing activities	10.49	9.08
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.15)	(33.21)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(59.96)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(0.71)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(10.46)	(0.16)
	Total adjustments at the SPV level (B)	**45.89**	**251.72**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**586.52**	**463.80**
	Amount kept aside as per SEBI guideline (D)	-	(45.30)
	Net distributable cash flows (E)=(C+D)	**586.52**	**418.50**

Notes:

1 Amount reflected in opening cash and bank balance for the year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 45.30 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 0.71 millions.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 336.68 millions.

3 Reserves amounting to ₹ 0.71 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

5 The distribution till December 2024, was ₹ 587.00 millions against the NDCF for the period ended 31 December 2024 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations, mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

(This space has been intentionally left blank)

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(xi) Gurgaon Sohna Highway Private Limited ("GSHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	587.53	279.79
2	Add: Opening cash and bank balance	58.48	342.20
3	Add: Treasury income/income from investing activities	15.95	2.12
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account and any shareholder debt/loan from Trust	(0.38)	(41.27)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(1.93)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(17.98)	(0.32)
	Total adjustments at the SPV level (B)	56.07	300.80
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	643.60	580.59
	Amount kept aside as per SEBI guideline (D)	(64.36)	(56.55)
	Net distributable cash flows (E)=(C+D)	579.24	524.04

Notes:

1 Amount reflected in opening cash and bank balance for the year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 56.55 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 1.93 millions.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 342.20 millions.

3 Reserves amounting to ₹ 1.93 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

4 As per revised NDCF framework, minimum upto 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.





Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xii) Gujarat Road And Infrastructure Company Limited ("GRICL") (subsidiary w.e.f. 24 January 2024)

S. No.	Particulars	Year ended 31 March 2025	For the period from 25 January 2024 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**2,631.36**	**627.60**
2	Add: Opening cash and cash balance	266.95	4,233.20
3	Add: Treasury income/income from investing activities	248.54	10.25
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(101.48)	(28.86)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(250.00)	(125.00)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(186.88)	(409.93)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(28.94)	(23.26)
	Total adjustments at the SPV level (B)	**(51.81)**	**3,656.40**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**2,579.55**	**4,284.00**
	Amount kept aside as per SEBI guidelines (D)	**(53.23)**	**(333.98)**
	Net distributable cash flows (E)=(C+D)	**2,526.32**	**3,950.02**
	Net distributable cash flows pertaining to Non controlling interests	**1,091.46**	**1,706.53**
	Net distributable cash flows to the Trust	**1,434.86**	**2,243.49**

Notes:

1 Treasury Income for the financial year ended 31 March 2025, includes realised gain on redemption of investments in mutual funds amounting to ₹ 74.83 millions which is calculated as gross proceeds from redemption of units amounting to ₹ 370.42 millions less acquisition cost of investment amounting to ₹ 295.59 millions and ₹ 173.71 millions towards interest income on fixed deposits for the period ended 31 March 2025.

2 Reserves for financial year ended 31 March 2024, include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act, 2013 which have been utilized in during the current year. This is as per revised framework for computation of NDCF. During the current period ended 31 March 2025 reserves released represents ₹ 9.93 millions which has been utilised by the SPV against actual CSR expenditure. However, reserve created amounting to ₹ 11.53 millions pertaining to unspent on CSR obligation for year ended 31 March 2025 which will be utilised in subsequent years.

Highways Infrastructure Trust

Statement of Net Distributable Cash Flows for the year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

3 Pursuant to the requirement of financial covenants specified under paragraph 4 of schedule 4 of Debenture Trust Deed (DTD) dated 06 May 2016 between IDBI Trusteeship Services Limited ("Trustee") and the Company in respect of free cashflow, the management has set aside ₹ 185.28 millions as per computation method mentioned in the DTD. The reserves amounting to ₹ 186.88 millions represents fund set aside as per DTD amounting to ₹ 185.28 millions plus unspent CSR for the year ended 31 March 2025 amounting to ₹ 11.53 millions adjusted with unspent CSR for year ended 31 March 2024 amounting to ₹ 9.93 millions.

4 Capital expenditure for financial year ended 31 March 2025, represents ₹ 28.94 millions pertaining to purchase of property, plant and equipment and intangible assets (including capital advances) net off proceeds from sale of property, plant and equipment.

5 The Board of Directors of the Company in their meeting held on 30 April 2025, have recommended for payment of final dividend @ 210 % i.e. ₹ 21 per equity share of ₹ 10 each fully paid up aggregating to ₹ 1,164.71 millions for the year ended 31 March 2025 which has been approved at the annual general meeting held on 12 May 2025. The cumulative distribution for financial year ended 31 March 2025 shall be stands at ₹ 2,526.32 millions including the above mentioned final dividend (out of the NDCF of ₹ 2,579.55 millions as computed above)

6 As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.

(This space has been intentionally left blank)





Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(xiii) Udupi Tollway Private Limited ("UTPL") (subsidiary w.e.f. 02 November 2023)

S. No.	Particulars	Year ended 31 March 2025	For the period from 02 November 2023 to 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**265.88**	**182.18**
2	Add: Opening cash and bank balance	131.57	299.55
3	Add: Treasury income/income from investing activities	9.78	7.56
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account and any shareholder debt/loan from Trust	(129.52)	(213.79)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(131.57)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(24.28)	(47.44)
	Total adjustments at the SPV level (B)	**(12.45)**	**(85.69)**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**253.43**	**96.49**
	Amount kept aside as per SEBI guideline (D)	-	-
	Net distributable cash flows (E)=(C+D)	**253.43**	**96.49**

Notes:

1 Amount reflected in opening cash and bank balance represent the amount retained by the SPV as on 01 April 2024 of current financial year.

2 Distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till ended 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 53.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

3 Company has received ₹ 186.7 millions as loan for MM work during the quarter ended 31 March 2024 and the same provided by external lender to the Trust for MM purpose and in turn, the Trust has funded to the Company for MM work. Prior to clarification from SEBI in 31 March 2024, any MM expense out of loan taken for such MM work purpose shall kept out of NDCF working. However, based on the new NDCF framework which was adopted by Board of Investment Manager of the Trust on 22 March 2024, we have recomputed the NDCF without adding back funding for MM expenses. Basis recomputation, it was observed that distribution by the Company to the Trust was more than such recomputed NDCF till March 2024 by ₹ 458.54 millions. Since the actual distribution to unitholders for quarter ended 31 March 2024 at the Trust level is computed using year to date basis as per new NDCF framework, actual NDCF and distribution to unitholder thereof at the Trust level already considers the impact of such excess distribution. Considering above points, ₹ 458.54 millions was hold back at the Trust level to ensure that there is no extra distribution at Trust level.

During the year Company has repaid ₹ 85.46 mn out of loan for MM amounting to ₹ 186.7 millions outside the NDCF, which was used by the Trust to repay to its external lenders.

4 As at 01 November 2023 (date of acquisition), outstanding amount payable pertaining MM work (payable to erstwhile shareholder) was ₹ 235.37 millions and the available unrestricted Cash and Bank balance (including investments) was ₹ 55.57 millions only. Hence, the Company borrowed from the Trust to pay-off opening creditors and the said transaction took place on 02 November 2023. The said specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework.

However, basis on SEBI guidines and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be lower by 458.54 millions. Accordingly, to ensure such reduction is reflected, ₹ 458.54 millions has been reduced from NDCF at the Trust level. The Company and the Trust meets the 90% distribution requirement under the revised calculations under the old NDCF framework, and under the new NDCF framework which is applicable w.e.f. 01 April 2024.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(xiv) Bangalore Elevated Tollway Private Limited ('BETPL') (subsidiary w.e.f. 13 June 2024)

S. No.	Particulars	For the period from 13 June 2024 to 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	608.66	-
2	Add: Opening cash and bank balance	3,831.82	-
3	Add: Treasury income/income from investing activities	104.38	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(8.45)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(229.71)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(2.80)	-
	Total adjustments at the SPV level (B)	3,695.24	-
	Net distributable cash flows (C)=(A+B)	4,303.90	-
	Amount kept aside as per SEBI guideline (D)	(16.52)	-
	Net distributable cash flows (E)=(C+D)	4,287.38	-

Notes:

1 Opening balance as on 13 June 2024 includes balance of cash and bank balances along with investments in mutual fund and fixed deposits amounting to ₹ 3,831.82 millions which is considered in calculation of NDCF above.

2 Reserves includes holdback on account of prolongation claim payable to erstwhile shareholders amount to ₹ 205.45 millions and interest of ₹ 22.22 millions. Unpaid amount of prolongation claim was included in opening balance.

3 Reserves as at 31 March 2025 amounting to ₹ 2.04 millions is created for unspent CSR spends.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.





Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(xv) North Telangana Expressway Private Limited ('NETPL') (subsidiary w.e.f. 14 October 2024)

S. No.	Particulars	Period from 14 October 2024 to 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	637.28	-
2	Add: Treasury income/income from investing activities	180.50	-
3	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.18)	-
	Total adjustments at the SPV level (B)	180.32	-
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	817.60	-
	Amount kept aside as per SEBI guideline (D)	(0.83)	-
	Net distributable cash flows (E)=(C+D)	816.77	-

Notes:

1 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. This was funded through equity and secured and unsecured loans from the Trust. The same is not forming part of above NDCF.

2 The SPV has been incorporated on 14 October 2024, hence the opening cash and cash balance is Nil.

3 As per NDCF framework of SEBI regulation read SEBI Master Circular, any capital expenditure on existing SPV to the extent of funded by Debt from the Trust should not be adjusted while calculating NDCF. During the period Company has incurred ₹ 50.54 millions for capital expenditure which was funded through loan from the Trust, hence same has not been considered while computing NDCF.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.





Highways Infrastructure Trust
Statement of Net Distributable Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

(xvi) Rewari Bypass Private Limited ('RBPL') (subsidiary w.e.f. 20 February 2025)

S. No.	Particulars	Period from 20 February 2025 to 31 March 2025	Year ended 31 March 2024
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**(12.51)**	-
2	Add: Opening cash and bank balance	509.50	-
3	Add: Treasury income/income from investing activities	4.43	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(47.21)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(2.68)	-
	Total adjustments at the SPV level (B)	**464.04**	-
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**451.53**	-
	Amount kept aside as per SEBI guideline (D)	**(45.15)**	-
	Net distributable cash flows (E)=(C+D)	**406.38**	-

Notes:

1 Cash and bank balance (including investment in mutual funds) as on acquisition date of 20 February 2025 is ₹ 614.10 millions out of which ₹ 509.50 millions have been used as part of NDCF, remaining balance of ₹ 104.60 millions can be used for subsequent distribution. This is pursuant to point no 5 of revised framework of SEBI Master Circular.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

(This space has been intentionally left blank)

2 Reserves as at 31 March 2025 amounting to ₹ 2.68 millions is created for unspent CSR spends.

3 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: 16 May 2025

Abhishek Chhajer
Chief Financial Officer

Gajendra Mewara
Compliance Officer
Membership No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

1. Group Information

The consolidated financial statements comprise financial statements of Highways Infrastructure Trust ("the Trust") and its subsidiaries (collectively, the Group) for the year ended 31 March 2025. The Trust is an irrevocable trust settled by Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations and Trust got it units listed on National Stock Exchange of India ("NSE") w.e.f. 25 August 2022. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust is Highway Concessions One Private Limited (the "Investment Manager").

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/Project SPVs/ subsidiaries").

During the financial year ended 31 March 2025, the Trust acquired full control of Project SPVS from the sponsor, effective 12 June 2024, followed by the acquisition of one SPV from H.G. Infra Engineering Limited on 20 February 2025. In the previous financial year ended 31 March 2024, the Trust obtained equity control in one Project SPV on 2 November 2023, further acquired three Project SPVs on 22 November 2023 and two Project SPVs on 24 January 2024. The acquired SPVs have entered into concession agreements with various authorities to undertake infrastructure development under the Design, Build, Finance, Operate, and Transfer (DBFOT) model, the Build, Operate, and Transfer (BOT) model, or the Hybrid Annuity Model (HAM). These agreements govern the development and operation of national and state highways across various locations.

Name of Project SPV	Extent of Control as at 31 March 2025	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	22 August 2022	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	22 August 2022	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	22 August 2022	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	22 August 2022	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)	100%	22 August 2022	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Name of Project SPV	Extent of Control as at 31 March 2025	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	22 August 2022	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Udupi Tollway Private Limited ('UTPL') formerly known as Navayuga Udupi Tollway Private Limited)	100%	01 November 2023	04 December 2009	Karnataka	30 January 2017	National Highways Authority of India (NHAI)
Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited)	100%	21 November 2023	08 April 2019	Haryana	15 November 2021	National Highways Authority of India (NHAI)
Gurgaon Sohna Highway Private Limited ('GSHPL')	100%	21 November 2023	06 April 2018	Haryana	25 February 2022	National Highways Authority of India (NHAI)
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited)	100%	21 November 2023	04 April 2019	Haryana	11 March 2022	National Highways Authority of India (NHAI)
Swarna Tollway Private Limited ('STPL')	100%	24 January 2024	11 May 2001	Andhra Pradesh	21 May 2004 and 12 September 2004	National Highways Authority of India (NHAI)
Gujarat Road And Infrastructure Company Limited ('GRICL')	56.8%	24 January 2024	02 June 1999	Gujarat	24 October 2000 and 20 February 2003	Government of Gujarat (GOG)
Bangalore Elevated Tollway Private Limited ("BETPL")	100%	13 June 2024	26 December 2005	Karnataka	06 April 2010	National Highways Authority of India (NHAI)
North Telangana Expressway Private Limited ("NTEPL")	100%	14 October 2024	14 October 2024	Telangana	14 February 2025	National Highways Authority of India (NHAI)

Name of Project SPV	Extent of Control as at 31 March 2025	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Rewari Bypass Private Limited ("RBPL")	100%	20 February 2025	1 May 2020	Haryana	15 January 2021	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Maharashtra, India, 400098. The consolidated financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 16 May 2025.

2 (A) Standards issued but not yet effective

The Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is amendment to Ind AS 21 "Effects of Changes in Foreign Exchange Rates" such amendments would have been applicable from 01 April 2025.

The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for the period on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.

The Trust has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have a significant impact on the Trust's Consolidated Financial Statements.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Group has applied following amendments for the first-time during the current year which are effective from 1 April 2024.

Amendments to Ind AS 116 - Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of Use asset it retains.

Ind AS 117 – Insurance Contracts

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The application of Ind AS 117 has no impact on the Trust standalone financial statement as the Trust has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

(C) Summary of material accounting policy information

a) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

i) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India and SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI Regulations") including SEBI master circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 (hereinafter referred to as 'SEBI Master Circular"). The Group has uniformly applied the accounting policies during the periods presented.

The Consolidated financial statements are presented in India Rupees which is also the functional currency of the Group and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The Consolidated Financial Statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on 16 May 2025. The revision to the consolidated financial statements is permitted by the Board of Directors of Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities.

ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2025. Control is achieved when the Group has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

iii) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below.

Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

- **Revenue recognition - Applicability of service concession agreement accounting**
  Appendix C "Service concession arrangements" applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

More specifically, it applies to public to private service concession arrangement if the grantor:

- Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
- Controls through ownership or otherwise –any significant residual interest in the infrastructure at the end of the term of the arrangement.

The subsidiary – Shillong Expressway Private Limited ("SEPL") , Nirmal Bot Private Limited ("NBPL"), Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited), Gurgaon Sohna Highway Private Limited ('GSHPL') and Rewari Ateli Highway Private Limited ('RAHPL') (formerly, H.G. Rewari Ateli Highway Private Limited) and Rewari Bypass Private Limited ('RBPL') (formerly known as "H.G. Rewari Bypass Private Limited ('RBPL') have the right to receive fixed annuity payments from NHAI during the concession period and have adopted 'Financial Asset Model'.

Accounting under "Financial Asset Model" involves extensive use of estimates. The Group has allocated the contract revenues into distinct individual performance obligations i.e. Construction, operation and maintenance based on their relative stand-alone selling prices which are derived by as per amount estimated by the management of subsidiary on actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a "Financial asset" at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

- **Provisions and liabilities**
  Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

- **Provision for major maintenance obligation**
  The operating and maintenance cost includes routine, periodic/major maintenance, manpower costs and operational expenses, including, but not limited to, road and site work expenses, employee benefit expenses and other operating and maintenance costs. The provision for potential periodic / major maintenance cost is created based on the estimates provided by the management and the same is adjusted for actual expenditures in the year of occurrence.

- **Useful lives of depreciable/amortizable assets**
  Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

- **Defined benefit obligations (DBO)**
  Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.





- **Evaluation of indicators for impairment of assets**
  The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Recognition of deferred tax assets**
  The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

- **Recoverability of advances/ receivables**
  At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

- **Contingent liabilities**
  The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

- **Fair value measurements**
  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of intangible assets are disclosed in the notes to consolidated financial statements.

- **Impairment of intangible assets**
  Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

- **Income taxes**
  The Groups tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

- **Fair valuation and disclosures**
  SEBI Master Circular issued under the SEBI Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Weighted average cost of capital ('WACC'), tax rates, inflation rates etc. Changes in assumptions about these factors could affect the fair value.





- **Acquisition of subsidiaries**
  The Investment manager has applied the optional concentration test under Ind AS 103 and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in receivables under service concession arrangements, with similar risk characteristics. Accordingly, this transaction has been accounted for as an asset acquisition.

b) Business combination (refer note 52)

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The purchase price in an acquisition is measured at the fair value of the assets transferred and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

Goodwill is measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity transfers the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves

c) Asset acquisition

In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired and liabilities assumed. The cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

d) Basis of classification as current and non-current

The Group presents assets and liabilities in the Consolidated balance sheet based on current/ non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.





A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

e) Revenue recognition

To determine whether to recognize revenue, the Project SPV Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognizing revenue when/as performance obligation(s) are satisfied.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

The specific recognition criteria described below must also be met before revenue is recognized.

Toll Collections

Toll collections from the users of the infrastructure facility constructed by the Group under the Service Concession Arrangement is accounted for based on actual collection. Revenue from electronic toll collection is recognized on accrual basis.

Claims with National Highways Authority of India ('NHAI')

Claims with NHAI and other Government Authorities are accounted as revenue as and when it becomes probable that such claims will be received and which can be measured reliably.

Contract revenue (Construction contracts)

Contract revenue associated with the construction of road is recognized at cost of work performed on the contract plus proportionate margin, where required, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the statement of profit or loss in the period in which the change is made and in subsequent periods.
Contract cost include costs that relate directly to the specific contract and allocated cost that are attributable to the construction of the road.





Rendering of services

Revenue from major maintenance obligation and regular operation and maintenance is measured using the percentage of completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognized net of taxes.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

f) **Taxation**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Group and the same taxation authority.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

Minimum Alternate Tax (MAT)

MAT paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and recognize when the Group will pay normal income tax during the specified period. MAT credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g) Property, plant and equipment (PPE)

Property, plant and equipment and capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation on PPE held by UEPL, SEPL, JPEPL, GEPL, NBL, ANHPL, RAHPL, GSHPL, STPL, GRICL, BETPL, NTEPL and RBPL is calculated on a straight-line basis over the estimated useful lives of the respective assets as prescribed in the Schedule II of the Act.

Depreciation on PPE held by UTPL and DBCPL is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 ("the Act").

The Group has estimated the following useful lives for its tangible fixed assets:

Assets class	Useful life
Building	25 years
Plant and equipment	7 year - 15 years
Furniture & fixtures	8 year - 10 years
Vehicles	8 year - 10 years
Office equipments	3 year - 10 years
Computers	3 year - 5 years

Depreciation on additions/ (disposals) during the year is provided on a pro-rata basis i.e., from the date on which asset is ready for use and up to the date on which the asset is disposed of/ fully depreciated.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Intangible assets

On transition to Ind AS, the Project SPV Group exercised first time adoption under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the Special Purpose Combined Financial Statements as at the date of transition (i.e. 01 April 2015 for all SPVs other than DBCPL and 01 April 2018 for DBCPL) measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Accounting of intangible assets under Service Concession agreement

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project undertaken by the Group. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India authorities, if any. Till the completion of the project, the same is recognized under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets. Intangible assets that not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development.

Other intangible assets

Other intangible assets comprise of cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are derecognized when no future economic benefits are expected from use or disposal.

Amortization of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortization is provided based on proportion of actual revenue to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Toll collection rights in respect of road projects commissioned after 1 April 2016 are amortized over the useful economic life using the straight-line method. The amortization period and the amortization method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense is recognised in the statement of profit and loss.

Specialized software held by the Group is amortized over a period of six years on straight line basis from the month in which the addition is made.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

i) Financial asset under Service Concession Agreement

Under the arrangement, the SPV recognizes a financial asset arising from service concession agreement as it has an unconditional right to receive cash from grantor (NHAI/State authorities) for the construction service, major maintenance obligations and regular operation and maintenance services over the concession period. Such financial asset is measured at fair value on initial recognition and classified under the head "Other Financial Assets". Subsequent to initial recognition, the financial asset is measured at amortized cost. Under this model, the financial asset will be reduced as and when grant is received from Grantor (NHAI/State authorities).

As per the salient feature of the arrangement, the operator has a two-fold activity based on which revenue is recognized in the financial statements in line with the requirement of Appendix C of Ind AS 115. The activities are given below:

a. a construction activity in respect of its obligation to design, build, finance an asset that it makes available to the Grantor (NHAI)/ state authorities

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

Revenue from major maintenance obligation and operation and maintenance activity in respect of the assets during the concession period in accordance with Ind AS 115.

j) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized.

l) Financial Instruments

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price determined under Ind AS 115.

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

ii. Financial assets at fair value

- Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement
After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 45 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as annuity and intangible assets, where required. Involvement of external valuers is decided by the Group on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Group after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 45)
- Investment in quoted mutual fund (note 10)
- Financial instruments (including those carried at amortized cost) (note 45).

n) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables:

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

o) Employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.
Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

The Group makes contribution towards employee state insurance scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948. The contributions deposited with authorities are recognized as on expense during the year.

p) Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

q) Net distributable cash flows to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

r) Statements of net assets at fair value

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and book values of the total liabilities of individual SPV's. The fair value of the assets is reviewed by the management, derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations. The independent valuers are leading valuers with a recognized and relevant professional qualification as per InvIT regulations and valuation assumptions used are reviewed by the management at each balance sheet date.

s) Statement of total returns at fair value

The disclosure of total returns at fair value comprises of the Total Comprehensive Income as per the Statement of Profit and Loss and Other Changes in Fair Value. (e.g., in property, plant & equipment (if cost model is followed)) not recognized in Total Comprehensive Income. Other changes in fair value is derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

t) Unit holders equity and distribution

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' equity contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' equity could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Master Circular issued under the SEBI Regulations, the unitholders' equity have been classified as equity in order to comply with the mandatory requirements of SEBI Master Circular dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

u) Earning per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
3. Property, plant and equipment (PPE)		
Net carrying value of property, plant and equipment	462.77	384.12
	462.77	**384.12**

The changes in the carrying value of property, plant and equipment for the year ended 31 March 2025 and 31 March 2024 are as follows :

Description	Freehold land	Office equipment	Computers	Furniture and fixtures	Plant and equipment	Vehicles	Building	Total
Gross carrying value (At cost)								
Balance as at 01 April 2023 (Refer note 52(a)(ii))	**4.54**	**39.54**	**17.29**	**8.81**	**199.69**	**53.58**	**21.49**	**344.94**
Addition on account of business combination (refer note 52 (b))	20.53	3.13	0.87	1.14	89.57	88.81	29.89	**233.94**
Additions for the year	0.01	4.48	3.82	2.16	20.12	2.94	16.57	**50.10**
Disposals/adjustments for the year	-	(0.17)	(0.24)	0.00	(3.45)	(6.03)	-	**(9.89)**
Balance as at 31 March 2024	**25.08**	**46.98**	**21.74**	**12.11**	**305.93**	**139.30**	**67.95**	**619.09**
Additions for the year	-	7.10	14.05	5.66	97.17	65.91	2.76	**190.65**
Disposals/adjustments for the year	-	(0.02)	(0.92)	(0.04)	-	(7.78)	(4.24)	**(13.00)**
Balance as at 31 March 2025	**25.08**	**54.06**	**34.87**	**15.73**	**403.10**	**197.43**	**66.47**	**796.74**
Accumulated depreciation								
Balance as at 01 April 2023 (Refer note 52(a)(ii))	-	**22.40**	**13.00**	**4.01**	**117.52**	**30.58**	**3.01**	**190.52**
Charge for the year	-	6.40	2.69	0.57	28.60	10.00	2.26	**50.52**
Disposals/adjustments for the year	-	(0.09)	(0.14)	0.00	(2.29)	(3.55)	-	**(6.07)**
Balance as at 31 March 2024	-	**28.71**	**15.55**	**4.58**	**143.83**	**37.03**	**5.27**	**234.97**
Charge for the year	-	7.78	5.63	1.43	60.40	28.72	4.04	**108.00**
Disposals/adjustments for the year	-	(0.02)	(0.80)	(0.02)	-	(7.34)	(0.82)	**(9.00)**
Balance as at 31 March 2025	-	**36.47**	**20.38**	**5.99**	**204.23**	**58.41**	**8.49**	**333.97**
Net carrying value								
As at 31 March 2024 (Refer note 52(a)(ii))	**25.08**	**18.27**	**6.19**	**7.53**	**162.10**	**102.27**	**62.68**	**384.12**
As at 31 March 2025	**25.08**	**17.59**	**14.49**	**9.74**	**198.87**	**139.02**	**57.98**	**462.77**

Notes:

(i) Contractual obligations :

Refer note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Refer note 38 for assets pledged as security.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

4. Capital work-in-progress

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Capital work-in-progress	2.48	50.98
	2.48	**50.98**

The changes in the carrying value of capital work-in-progress for the year ended 31 March 2025 and 31 March 2024 are as follows :

Particulars	Amount
Capital work-in-progress as at 01 April 2023	-
Acquisition under common control business combinations (Refer note 52(b)(ii))	5.93
Add: Additions during the year	45.05
Capital work-in-progress as at 31 March 2024	**50.98**
Add: Additions during the year	2.48
Less: transfer to property, plant and equipment during the year	(50.98)
Capital work-in-progress as at 31 March 2025	**2.48**

(i) Capital work-in-progress (CWIP) ageing schedule

As at 31 March 2025	Amount in CWIP for the period of				
Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Projects in progess	2.48	-	-	-	2.48

As at 31 March 2024 (Refer note 52(a)(ii))	Amount in CWIP for the period of				
Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Projects in progess	50.98	-	-	-	50.98

Notes:

(i) Contractual obligations :

Refer note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Refer note 38 for assets pledged as security.

4A. Goodwill

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Opening Balance	-	-
Addition on account of business combination (refer note 52 (b))	-	3,101.73
Impairment of goodwill (refer note 37)	-	(3,101.73)
	-	-

i) Allocation of goodwill to reportable segments:

During the previous year, the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations Ind AS 103), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or PPA). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust. (Refer note 51 for further details).

The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit ("CGU") of STPL. The recoverable amount of the above mentioned CGU is determined based on value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance.

ii) Impairment of goodwill:

Goodwill was tested for impairment and during the previous year, the Group has recognised impairment amounting ₹ 3,101.73 millions.

iii) Key assumptions used for value in use calculations are as follows:

* Discount rates - Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.

The cash flow projection has been prepared using anticipated revenue growth from inputs provided in the traffic study report (average growth rate of 7.6% across the project life cycle). The discount rate used is 9.94%.

The management has performed sensitivity analysis around the base assumptions and accordingly concluded that no reasonable changes in key assumptions would cause the change in the recoverable amount of the CGU.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
5. Other intangible assets		
Net carrying value of intangible assets	1,19,458.14	57,948.28
	1,19,458.14	57,948.28

The changes in the carrying value of other intangible assets for the year ended 31 March 2025 and 31 March 2024 are as follows :

Description	Rights under service concession arrangements	Computer software	Total intangible assets
Gross block			
Balance as at 01 April 2023	**38,689.61**	**13.68**	**38,703.29**
Acquisition on account of business combination (refer note 52 (b))	38,846.01	-	38,846.01
Additions for the year	0.03	-	0.03
Disposals/adjustments for the year	(3.24)	-	(3.24)
Balance as at 31 March 2024	**77,532.41**	**13.68**	**77,546.09**
Additions for the year	68,004.30	4.04	68,008.34
Balance as at 31 March 2025	**1,45,536.71**	**17.72**	**1,45,554.43**
Accumulated amortisation			
Balance as at 01 April 2023	**15,829.87**	**7.52**	**15,837.39**
Charge for the year	3,171.32	1.29	3,172.61
Impairment loss for the year (refer note 37)	587.81	-	587.81
Balance as at 31 March 2024	**19,589.00**	**8.81**	**19,597.81**
Charge for the year	6,496.96	1.52	6,498.48
Balance as at 31 March 2025	**26,085.96**	**10.33**	**26,096.29**
Net carrying value			
As at 31 March 2024 (Refer note 52(a)(ii))	**57,943.41**	**4.87**	**57,948.28**
As at 31 March 2025	**1,19,450.75**	**7.39**	**1,19,458.14**

Notes:

(i) Contractual obligations :

Refer note 42 for disclosure of capital and other commitments for the acquisition of intangible assets.

(ii) Refer note 38 for assets pledged as security.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
6 Other non-current financial assets		
(Unsecured, considered good)		
Security deposits	19.43	20.18
Receivable under service concession arrangements [Refer note (i) below]	8,910.20	7,964.02
Bank deposits with more than 12 months maturity*	126.79	715.95
Others	4.11	10.47
	9,060.53	**8,710.62**
**includes interest accrued but not due*		
Notes:		
(i) **Movement in receivables under service concession arrangements during the financial year :**		
Opening balance	**10,487.18**	**1,136.26**
Add: Acquisition under business combination (Refer note 52)	2,555.92	9,754.89
Add: Interest income on annuity receivable from National Highways Authority of India ("NHAI") (Refer note	1,140.78	486.70
Add: Revenue from operations and maintenance of road (Refer note 29)	855.49	1,005.28
Add: Modification (loss)/gain (Refer note 35 and 30)	(186.11)	41.19
Less: Annuity received from NHAI	(3,066.09)	(1,937.14)
Closing balance	**11,787.17**	**10,487.18**
- Non-current financial asset (refer note 6)	8,910.20	7,964.02
- Current financial asset (refer note 14)	3,004.92	2,523.16
- Current financial liabilities (refer note 25)	(127.95)	-
	11,787.17	**10,487.18**
7 Non current tax assets (net)		
Advance income tax (net of provisions)	465.11	502.08
	465.11	**502.08**
8 Other non-current assets		
(Unsecured, considered good)		
Capital advances	72.55	72.13
Prepaid expenses	45.59	55.13
Balances with statutory authorities	213.24	-
	331.38	**127.26**
9 Inventories		
Stores and spares	24.00	-
	24.00	**-**
10 Investments		
Current		
Investment in mutual funds - quoted (fully paid)"	1,022.45	9,178.37
	1,022.45	**9,178.37**
Aggregate amount of quoted investments- at market value	1,022.45	9,178.37
Aggregate amount of quoted investments- at cost	1,018.22	9,033.83
Refer note 38 for assets pledged as security.		
"These are measured at fair value through profit and loss		
(a) Details of investment in mutual funds- quoted (fully paid)		
1,275.74 (31 March 2024: 43,693.27) units in SBI Mutual Fund	5.30	170.22
36,780.97 (31 March 2024: 13,50,686.04) units in SBI Overnight Fund Direct Plan- Growth	152.75	5,261.99
Nil (31 March 2024: 24,280.91) units in Axis Liquid Plan - Regular - Growth	-	64.69
Nil (31 March 2024: 8,54,857.64) units in ICICI Prudential Liquid Fund - Direct Plan - Growth	-	302.94
24,364.33 (31 March 2024: 15,27,474.66) units in Bandhan Overnight Fund Direct Plan - Growth	33.18	1,950.55
1,40,930.68 (31 March 2024: 8,77,440.56) units in ICICI Prudential Overnight Fund Direct Plan - Growth	193.92	1,132.37
Nil (31 March 2024: 2,32,493.18) units in Bandhan Overnight Fund Direct Plan - Growth	-	295.61
2,69,303.87 (31 March 2024: Nil) units in Mirae Asset Overnight Fund - Direct Plan Grow	352.61	-
97,933.54 (31 March 2024: Nil) units in Aditya Birla Sun Life Overnight Fund - Direct Growth Plan	135.26	-
10,89,655.34 (31 March 2024: Nil) units in Nippon India Overnight Fund - Direct Growth Plan	149.43	-
Total	**1,022.45**	**9,178.37**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
11 Trade receivables		
Trade receivables considered good- unsecured	164.95	313.08
	164.95	313.08

Notes:

(i) The Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk.
(ii) Refer note 46 - Financial risk management for assessment of expected credit losses.
(iii) The carrying value are considered to be a reasonable approximation of fair value.
(iv) Refer note 38 for assets pledged as security.

Trade receivables ageing schedule	Outstanding for following periods from due date of payment						
	Not due	Less than 6 month	6 month - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
Undisputed trade receivables – considered good	129.01	27.09	-	8.55	0.04	0.26	164.95
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-

Trade receivables ageing schedule	Outstanding for following periods from due date of payment						
	Not due	Less than 6 month	6 month - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024 (Refer note 52(a)(ii))							
Undisputed trade receivables – considered good	-	293.47	17.03	2.32	0.26	-	313.08
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
12 Cash and cash equivalents		
Balances with banks:		
- in current accounts	268.27	253.67
- in deposits with original maturity of less than three months*	4,241.90	1,018.19
Cash on hand	11.80	11.76
	4,521.97	**1,283.62**

** Includes interest accrued but not due*

Notes:

(i) For assets pledged as security, refer note 38.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting year.

13 Bank balances other than cash and cash equivalents above		
Deposits with original maturity more than three months but less than twelve months*#	2,774.10	8,259.40
	2,774.10	**8,259.40**

** Includes interest accrued but not due*

#Includes deposits pledged towards the Debt Service Reserve Account (DSRA) amounting to ₹1,426.87 million and ₹1,208.59 million as at 31 March 2025 and 31 March 2024, respectively.

Notes:

(i) Refer note 38 for assets pledged as security.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting year.

14 Other current financial assets		
Deposits with banks (original maturity more than twelve months and remaining maturity less than twelve months)	422.44	-
Security deposits	0.48	1.24
Deposit and advances	8.75	-
Receivable under service concession arrangements (refer note 6)	3,004.92	2,523.16
Other receivables	120.43	265.12
	3,557.02	**2,789.52**

15 Other current assets		
Advance to suppliers	132.90	34.72
Advance to employees	0.02	-
Gratuity - fair value of plan assets	-	2.09
Prepaid expenses	184.06	74.14
Unbilled revenue	214.42	-
Balance with government authorities	426.29	524.21
Other receivables	60.86	43.54
	1,018.55	**678.70**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
16 Equity		
(i) Unit capital:		
415,500,000 (31 March 2024:415,500,000) of ₹ 100 each	41,550.00	41,550.00
65,931,294 (31 March 2024:65,931,294) of ₹ 77.96 each	5,140.00	5,140.00
265,454,540 (31 March 2024:265,454,540) of ₹ 82.50 each	21,900.00	21,900.00
58,702,708 (31 March 2024:Nil) of ₹ 85.30 each	5,007.34	-
704,395,456 (31 March 2024:Nil) of ₹ 78.10 each	55,013.29	-
	1,28,610.63	**68,590.00**

(ii) Terms, Rights and Restrictions attached to units:

Subject to the provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) ('SEBI Regulations'), the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust").

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders.

e) Right to receive periodic information-the Investment Manager, on behalf of the Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the SEBI Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the SEBI Regulations and such other requirements as may be specified by SEBI.

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

g) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Infrastructure Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholders.

h) No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

i) In terms of the SEBI Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholder Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust, in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

(iii) Reconciliation of units outstanding at the beginning and at the end of the year :

Particulars	As at 31 March 2025		As at 31 March 2024 (Refer note 52(a)(ii))	
	No. of units	Amount	No. of units	Amount
Balance at the beginning of the year	74,68,85,834	68,590.00	41,55,00,000	41,550.00
Add: Unites Issued during the year				
- Issuance of units by way of right issue at ₹ 77.96 (Refer note (vii)	-	-	6,59,31,294	5,140.00
- Issuance of units by way of preferential allotment at ₹ 82.50 (Refer note (viii)	-	-	26,54,54,540	21,900.00
- Issuance of units by way of preferential allotment at ₹ 85.30 (Refer note (ix)	5,87,02,708	5,007.34	-	-
- Issuance of units by way of preferential allotment at ₹ 78.10 (Refer note (x)	70,43,95,456	55,013.29	-	-
Total	**1,50,99,83,998**	**1,28,610.63**	**74,68,85,834**	**68,590.00**

(iv) Unitholders holding more than 5% of shares of the Trust as at balance sheet date:

Name of Unitholder	As at 31 March 2025		As at 31 March 2024 (Refer note 52(a)(ii))	
	No. of units	% holding	No. of units	% holding
Galaxy Investments II Pte. Ltd.	42,05,86,295	27.85%	37,39,00,000	50.06%
Nebula Asia Holdings II Pte. Ltd.	66,15,27,955	43.81%	18,06,06,060	24.18%
2452991 Ontario Limited	37,74,95,998	25.00%	14,83,41,698	19.86%

(v) There were no units issued pursuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issue and/or bought back since the date of incorporation.

(vi) The Trust has issued 4,66,86,295 units to Galaxy Investments II Pte Ltd in consideration for the acquisition of BETPL's share capital, compulsorily convertible debentures (CCDs) including interest, and preference share capital, without any cash payment being received. (refer note 52 (a)(ii))

(vii) During the previous year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150.00 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:

(a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV")
(b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and
(c) for general purposes.

Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.

Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 millions, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.

The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended 31 March 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.





(viii) During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900.00 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900 millions have been utilised for payment of purchase consideration of STPL and GRICL.

(ix) During the year ended 31 March 2025, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount up to approximate ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.

(x) During the year ended 31 March 2025 Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount up to approximate ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.The same has been utilised for Investment in Equity Shares and providing secured and unsecured rupee term loan to NTEPL.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
17 Other equity		
Units pending issuance (Refer note 52(a)(ii))	-	215.91
Equity component of loan to related parties	384.95	384.95
Capital redemption reserve	2.83	2.83
Securities premium reserve	2,411.18	2,411.18
Debenture redemption reserve	-	60.22
Capital reserve (refer note 52 (b))	1,768.82	1,671.99
Amalgamation adjustment deficit account	(28,514.39)	(28,514.39)
General reserve	126.11	65.89
Retained earnings	(29,401.47)	(18,916.05)
	(53,221.97)	**(42,617.47)**

Description of nature and purpose of each reserve:

Units pending issuance

Units pending issuance represents net assets acquired assuming common control is established from the date of earlier acquisition of the SPVs by the Sponsor i.e., 29 March 2023 for "BETPL". Subsequently, 'Units pending issuance' credited as at 31 March 2024 have been further adjusted against difference of net assets and purchase consideration calculated as at 12 June 2024 i.e., when Trust acquired the SPVs.

Equity component of loan

This includes the equity component of the long term loan taken from GMR Highway Limited and India Infrastructure Fund. The equity component represents the interest-free feature of the loan. The liability component is reflected in non-current borrowings. (refer note 18).

Capital redemption reserve

Capital redemption reserve has been created as a result of transfer of the nominal value of shares upon buyback of shares, in accordance with Section 69 of the Companies Act, 2013.

Securities premium reserve

Securities premium reserve represents premium received on issue of shares. These reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Amalgamation adjustment deficit account

Amalgamation adjustment deficit account has been created as a result of excess of purchase consideration paid over net assets of project SPVs.

Debenture redemption reserve

In terms of Section 71 of the Companies Act, 2013 the issuer SPVs being an Unlisted Company is required to create Debenture Redemption Reserve (DRR) to the extent of 10% of the outstanding value of privately placed debentures until such debentures are redeemed, to which amount shall be credited from out of its profits of the SPV available for payment of dividend. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

In the absence of distributable profits during the year, the SPV has not created DRR. However, the SPV is carrying DRR made during the previous years and is regular in redeeming matured debentures.

Capital reserve

Capital reserve is a reserve of a corporate enterprise which is not available for distribution as dividend. The reserve is created on a gain in bargain purchase arising in business combination where clear evidence of the underlying reasons does not exists for classifying business combinations as a bargain purchase.

General reserve

General reserve was created pursuant to transfer of debenture redemption reserve. General reserve is a free reserve available to the Company.

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc

(This space has been intentionally left blank)

CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * WALKER

HIGHWAYS INFRASTRUCTURE TRUST

18 Non current borrowings	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
At amortised cost		
Secured:		
a) Rupee term loan		
- Bank and financial institution	33,955.09	22,144.85
b) Non convertible debentures		
Non convertible debentures	12,139.64	12,547.14
Sub-total (A)	**46,094.73**	**34,691.99**
Unsecured:		
c) Optionally convertible debentures		
- Navayuga Road Projects Private Limited	-	0.50
d) Compulsory Convertible Debentures		
- Galaxy Investments II Pte. Ltd	-	3,220.29
e) Other loans		
- Loan from GMR Highways Limited	626.55	569.59
- Liability component on preference shares	-	129.42
Sub-total (B)	**626.55**	**3,919.80**
Total (A+B)	**46,721.28**	**38,611.79**
Less: Current maturities of long term borrowings (refer note 23)		
Secured:		
a) Rupee term loans from banks and financial institution	723.87	959.72
b) Non - convertible debentures	4,196.49	431.97
Other loans		
a) Liability component on preference shares	-	129.42
Total current maturities of borrowings (C)	**4,920.36**	**1,521.11**
Total non-current borrowings (A+B-C)	**41,800.92**	**37,090.68**

Note:

(i) Refer note - 45 Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 46 - Financial risk management for assessment of expected credit losses.

(ii) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Amount
Balance as at 31 March 2023	**19,382.95**
Addition on account of business combination (refer note 52)	17,593.02
Cash flows:	
Proceeds	22,269.83
Impact of amortised cost adjustment for borrowings	(158.74)
Repayment/ redemption	(17,919.18)
Non-cash:	
Impact of amortised cost adjustment for borrowings	1.55
Interest on commercial papers which has been clubbed with loan balances	89.92
Balance as at 31 March 2024 (refer note 18 and note 23)	**41,259.35**
Balance as at 31 March 2024	**41,259.35**
Addition on account of business combination (refer note 52)	1,810.80
Cash flows:	
Proceeds	19,047.37
Impact of amortised cost adjustment for borrowings	(59.29)
Repayment/ redemption	(13,050.68)
Non-cash:	
Impact of amortised cost adjustment for borrowings	51.75
Interest on commercial papers which has been clubbed with loan balances	267.98
Balance as at 31 March 2025 (refer note 18 and note 23)	**49,327.28**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

18A. For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sr.No.	Nature of borrowing	Name of Entity	Principal Outstanding as at		Repayment terms and security disclosure
			31 March 2025	31 March 2024	
1	Rupee term loans from banks (secured)	Highways Infrastructure Trust	33,955.09	21,650.23	Rate of Interest and Repayment Terms Rupee term loan (including RTL- 1 for sanctioned limits of ₹ 8,000 millions, RTL-2 for sanctioned limits of ₹ 19,000 millions and RTL-4 for sanctioned limits of ₹ 33,000 millions) from banks and financial institutions (including current maturities) of ₹ 33,955.09 millions (31 March 2024: ₹ 21,650.23 millions) which carries weighted average interest rate of 8.32% p.a. (31 March 2024: 8.34% p.a.) linked to Benchmark Rates (as defined in Rupee Loan Agreement or any communication from lender in relation to shift in Benchmark Rate) plus spread, if any, the interest rate will reset on such periodicity (in line with Benchmark Rate). The RTL-1 loan is repayable in 55 structured quarterly instalments starting from 30 September 2022 and ending on 31 March 2036. The RTL- 2 loan is repayable in 65 structured quarterly instalments starting from 31 March 2024 and ending on 30 June 2040. The RTL- 4 loan is repayable in 67 structured quarterly instalments starting from 30 June 2025 and ending on 31 December 2041. The Rupee Loan is secured by way of : a) first ranking pan passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: i) all receivables of the Issuer from the HoldCos and SPVs ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future, it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer; c) first ranking pan passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs. d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pan passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan; f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities").





18A. For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sr.No.	Nature of borrowing	Name of Entity	Principal Outstanding as at		Repayment terms and security disclosure
			31 March 2025	31 March 2024	
2	Listed, redemable, non-convertible debentures (secured)	Highways Infratsructure Trust	11,299.57	11,340.57	Rate of Interest and Repayment terms Series I and II: For the previous year ended 31 March 2023, The Trust has issued senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹4,000 millions for Series I at coupon rate of 7.81% p.a. (31 March 2024: 7.81% p.a) and ₹2,500.00 millions for Series II at coupon rate of 8.25% p.a (31 March 2023: 8.25% p.a) having an outstanding balance as at 31 March 2024 of ₹ 6,310.00 millions (31 March 2024 of ₹ 6,366.13 millions) which will mature on 22 December 2025 and 22 September 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quaterly installments starting from 31 December 2022 and ending on 22 December 2025. Further series II NCDs is repayable in 28 structured quaterly installments starting from 31 December 2022 and ending on 22 September 2029. Series III: The Trust has issued senior, secured, taxable, rated, listed, redeemable Non-Convertible Debentures ("NCD's") amounting to ₹ 5,000.00 millions for Series III at coupon rate of 8.34% p.a. (31 March 2024: 8.34% p.a.) having an outstanding balance as at 31 March 2025 of ₹ 4,989.58 millions (31 March 2024 of ₹ 4,974.49 millions). The NCDs are listed on Bombay Stock Exchange (BSE). The said series III NCDs is repayable in bullet payments at the end of 3 years from deemed date of allotments i.e. 18 January 2027. The non convertible debentures (NCD) are secured by way of : a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ("the Issuer"), present and future, including but not limited to: i). all receivables of the Issuer from the HoldCos and SPVs ii). loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs iii). dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer iv). inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer v). all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pan passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future, it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer; c) first ranking pan passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs. d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan, f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo "Pledged Securities").
3	Loan from others (unsecured)	Ulundurpet Expressways Private Limited	626.55	569.59	Rate of Interest and Repayment Terms Interest free loans from GMR Highway Limited of Rs. 626.55 millions (31 March 2024: Rs. 569.59 millions;) repayable on or before 22 January 2027, however repayment can be made only after repayment of term loan, however in cash surplus cash available as per the terms of financing document,the same can also be prepaid.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

18A. For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sr.No.	Nature of borrowing	Name of Entity	Principal Outstanding as at		Repayment terms and security disclosure
			31 March 2025	31 March 2024	
4	Loan from others (unsecured)	Highways Infratsructure Trust	2,606.00	2,647.55	Rate of Interest and Repayment Terms 'Further, the Trust has issued Commercial paper ("CP") amounting to ₹ 2,750.00 millions at discount rate of 7.90% p.a. having an outstanding balance as at 31 March 2025 of ₹ 2,606.00 millions (31 March 2024: ₹ 2,647.55 millions) after unwinding of Interest on CP. The said CP is repayable in bullet payments after 328 days from date of issue, i.e. 23 September 2024.
5	Secured, Listed, redemable, non-convertible debentures (unsecured)	Bangalore Elevated Tollway Private Limited ('BETPL')	-	3,220.29	In the year ended 31 March 2024,the company has allotted 62,10,084 OCDs at Rs. 100 carrying a coupon of 14%. In the previous year,the company had allotted 25,992,855 OCDs at ₹ 100 carrying a coupon of 14% The term of the issue is 30 years from the date of issue. The OCDs shall be converted into equity shares in the following manner: a. Convertible into Equity Shares of ₹ 10 based on fair market value of such Equity Shares as on the date of conversion which will be mutually agreed. b. The OCDs shall be compulsorily converted, on the date falling at the expiry of Tenure ("Conversion Date") or prior to the Conversion Date, at the option of the holder of the OCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date. c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them. d. Each OCD shall be converted into such number of Equity Shares as per the conversion formula given below: [Face Value of the OCD)/ [Fair Market Value of the Equity Shares as on date of conversion of the OCD on a fully diluted basis]. OCD was repaid during the year ended 31 March 2025.
6	Loan from others (unsecured)	Udupi Tollway Private Limited ('UTPL')	-	0.50	Rate of Interest and Repayment Terms: OCD from Navayuga Road Projects Private Limited does not carry any coupon Repayment: (a) Optionally convertible debt (OCDs) amounting to Rs. 0.50 millions having face value of Rs. 10/ - each which does not carry any coupon repayment (b) The OCDs will be redeemed solely at the option of the Company at any time after the option exercise date but before 18 (eighteen) months of the closing date by the OCDs redemption amount (net of all taxes) to the Seller parties (c) The OCDs are redeemed with premium of 129.5 mn in May 2024.
7	Rupee term loans from banks (secured)	Bangalore Elevated Tollway Private Limited ('BETPL')	-	494.62	These include Rupee Term Loans (RTL) from ICICI Bank Ltd. & IDFC FIRST Bank Ltd. . The interest rate is subject to quarterly reset. The Loan is repayable in 32 unequal quarterly instalments. The RTL are secured by first ranking pari passu charge/ mortgage/ assignment in favour of IDBI Trusteeship Service Limited (acting as security trustee) over the Mortgaged Properties, including, all the Company's movable assets, immovable properties and all accounts; both present and future, excluding any Project Assets. The Debt is further secured by 51% pledge of Equity / Preference shares & debentures issued to IIF-II. Company availed moratorium in principal and interest payment with lenders for the period Jun 2020 to Aug 2020 under the COVID-19 Regulatory Package announced by RBI and the lenders approved the same. Due to the moratorium, last repayment of Term loan to IDFC FIRST Bank and ICICI Bank has changed from 30 Sep 2024 to 31 Dec 2024. Lenders also sanctioned Funded Interest Term Loan (FITL) by converting the accrued interest due during the said period. During the year ended 31 March 2025, the comapny has repaid the borrowing.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

18A. For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sr.No.	Nature of borrowing	Name of Entity	Principal Outstanding as at		Repayment terms and security disclosure
			31 March 2025	31 March 2024	
7	Non-convertible debentures (secured)	Bangalore Elevated Tollway Private Limited ('BETPL')	-	121.00	In the year ended 31 March 2018, the Company had issued 19,915 secured redeemable NCDs, having face value of Rs. 100,000 each, to NIIF Infrastructure Finance Limited (erstwhile IDFC Infrastructure Finance Ltd.) and India Infradebt Ltd. The NCDs are redeemable in 29 unequal quarterly instalments. The debentures carry interest rate of 9.05% per annum. The debentures are secured by a first pari passu charge/ mortgage/ assignment in favour of the Debenture Trustee and the Security Trustee over the Mortgaged Properties, including, all the Company's movable assets, immovable properties and all accounts; both present and future, excluding any Project Assets. The Debt is further secured by 51% pledge of Equity / Preference shares & debentures issued to IIF-II. Company availed moratorium in principal and interest payment with lender for the period Jun 2020 to Aug 2020 under the COVID-19 Regulatory Package announced by RBI and the lenders approved the same. Due to this moratorium, last repayment of the non-convertible debentures changed from 30 June 2024 to 30 Sep 2024. Lenders sanctioned Funded Interest Term Loan (FITL) by converting the accrued interest due during the said period. During the year ended 31 March 2025, the comapny has repaid the borrowing.
8	Preference Share (unsecured)	Bangalore Elevated Tollway Private Limited ('BETPL')	-	129.42	The tenure of the preference shares would be 30 year. The terms of the same as below: a)Convertible into equity shares of INR 10 (Indian Rupees Ten only) based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by applicable laws, be lower than the fair market value of the equity shares as on the date of allotment of the CCPS), which will be mutually agreed. b)The CCPS shall be compulsorily converted, on the date falling at the expiry of Tenure ("Conversion Date") or prior to the Conversion Date, at the option of the holder of the CCPS, into equity shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date. c)Upon conversion, the equity shares shall rank pari passu with the other equity shares without any preference or priority over them. d)Each Subscription CCPS shall be converted into such number of equity shares (subject to the CCPS not converting into equity shares less than face value) as per the conversion formula given below: [Face Value of the CCPS] / [Fair Market Value of the shares as on date of conversion of the CCPS on a Fully Diluted Basis]
9	Secured, Listed, redeemable, non-convertible debentures	Gujarat Road And Infrastructure Company Limited('GRICL')	840.07	1,085.57	**Rate of Interest and Repayment Terms:** Non-Convertible Debentures are repayable in 28 consecutive half yearly installment starting from September 2016 to March 2030 as per schedule repayment mentioned in Schedule V of Debenture Trust Deed executed on May 6, 2016. The Non-Convertible Debentures are carrying fixed interest of 9% p.a. **The non convertible debentures (NCD) are secured by way of :** The debenture are secured by a pari-passu first charge in favour of the Trustee of the Company on the project assets and all Property, Plant and Equipments and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc. **Default and breaches:** Non-current borrowings contains debt covenants relating to Free Cash Flow to be maintained by the company as at the reporting date. The company has satisfied the debt covenant prescribed in the terms of the Debenture Trust Deed as at reporting date.
			49,327.28	**41,259.34**	

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024
19 Other non current financial liabilities		
Deferred payment liabilities-payable to concession authorities for toll collection rights	1,613.88	1,587.31
	1,613.88	**1,587.31**

(i) Refer note - 45 Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 46 - Financial risk management for assessment of expected credit losses.

20 Non current provisions

Provision for employee benefits		
Gratuity (Refer note 44)	24.41	24.75
Compensated absences (Refer note 44)	19.26	17.31
Other provisions		
Major maintenance obligation (refer note below (i) (a))	783.18	849.77
Provision for handover cost of project	15.87	-
Provision for Infrastructure upgrade (refer note below (i) (b))	782.13	-
Others	14.75	2.55
	1,639.60	**894.38**

Notes:

(i) Information about individual provisions and significant estimates

(a) Provision for major maintenance obligation

Each SPV of the Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to National Highways Authority of India ('NHAI'), Madhya Pradesh Road Development Corporation ('MPRDC'), Public Work Department ('PWD') as per the maintenance standards prescribed in respective concession arrangements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repair of structures and other equipments and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually. Considering that the expense to be incurred depends on various factors including the usage, wear and tear of the highway, bituminous overlay, etc, it is not possible to estimate the exact timing and the quantum of the cash flow. The management does not expect any reimbursement towards the expenses to be incurred.

Movement in major maintenance obligation during the financial year :

Particulars	As at 31 March 2025	As at 31 March 2024
- Non-current (refer note 20)	783.18	849.77
- Current (refer note 27)	1,729.51	3,001.57
	2,512.69	**3,851.34**

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Opening balance	**3,851.34**	**1,260.55**
Acquisition on account of business combination (refer note 52)	-	2,462.21
Additions during the year	2,009.42	1,461.28
Utilised during the year	(3,077.54)	(1,447.97)
Unwinding of discount on major maintenance provision (refer note 33)	157.07	100.81
Modification (gain)/loss on financial liability (refer note 30 and 33)	(427.60)	14.46
Closing balance	**2,512.69**	**3,851.34**

(b) Provision for Infrastructure upgrade:

Certain SPVs estimates and provides for contract liability in respect of unavoidable obligations to improve/upgrade the infrastructure to be undertaken as per Concession Agreement with NHAI. These estimates are corroborated through purchase orders/ work orders placed or to be placed by these SPVs as determined by management's internal technical team. As the estimated cost is based on the various assumptions such as current infrastructure (road, pavements, etc.) condition, inflation in material cost etc., hence the Management has applied judgement for these estimates.

Movement in infrastructure upgrade works obligation during the financial year :

Particulars	As at 31 March 2025	As at 31 March 2024
- Non-current (refer note 20)	782.13	-
- Current (refer note 27)	588.57	-
Closing balance	**1,370.70**	-

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	-
Additions during the year	1,362.41	-
Unwinding of discount on Infrastructure upgrade (refer note 33)	8.29	-
Closing balance	**1,370.70**	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

21 Deferred tax assets / (liabilities) (net)*

Deferred tax assets / (liabilities) as at 31 March 2025	Assets	Liabilities	Net
Temporary difference of preliminary expenses	-	(0.02)	0.02
Provision for major maintenance obligation	-	6.55	(6.55)
Amount payable to Concession Authorities as per service concession agreement	-	(494.74)	494.74
Unused business loss	-	(173.68)	173.68
Provision for employee benefits	(0.01)	(194.35)	194.34
Tax credit (minimum alternate tax)	985.23	(1,655.78)	2,641.01
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	(531.10)	1,526.06	(2,057.16)
Adjustment on account of upfront fees on borrowings	-	-	-
Fair valuation of investments	-	(2.10)	2.10
Receivable under service concession arrangement	-	6,999.24	(6,999.24)
Total	**454.12**	**6,011.18**	**(5,557.06)**

Deferred tax assets / (liabilities) (net)*

Deferred tax assets / (liabilities) as at 31 March 2024	Assets	Liabilities	Net
Temporary difference of preliminary expenses	-	(0.64)	0.64
Provision for major maintenance obligation	-	(95.47)	95.47
Amount payable to Concession Authorities as per service concession agreement	-	(484.14)	484.14
Unused business loss	-	(139.59)	139.59
Provision for employee benefits	-	(3.97)	3.97
Tax credit (minimum alternate tax)	815.83	(2,487.60)	3,303.43
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	(477.54)	9,267.82	(9,745.36)
Adjustment on account of upfront fees on borrowings	-	0.16	(0.16)
Fair valuation of investments	(0.29)	10.34	(10.63)
Receivable under service concession arrangement	-	359.94	(359.94)
	338.00	**6,426.85**	**(6,088.85)**

* refer note 39 for details with respect to deferred tax not recognized on unused tax losses and credits

Component wise movement of deferred tax liabilities/(asset) for the year ended 31 March 2025 and 31 March 2024

Particulars	As at 01 April 2024	Acquisition in business combination (refer note 52)	Recognised in the Statement of Profit and Loss during the year	31 March 2025
Liabilities				
Timing difference on amortisation of intangible assets and depreciation of PPE	9,745.36	-	(7,688.20)	2,057.16
Adjustment on account of upfront fees on borrowings	0.16	2.29	(2.45)	-
Fair valuation of investments	10.63	-	(10.63)	-
Provision for major maintenance obligation	-	-	6.55	6.55
Receivable under service concession arrangement	359.94	71.26	6,568.04	6,999.24
Sub-Total	**10,116.09**	**73.55**	**(1,126.69)**	**9,062.95**
Assets				
Amount payable to Concession Authorities as per service concession agreement	484.14	-	10.60	494.74
Provision for major maintenance obligation	95.47	-	(95.47)	-
Provision for employee benefits	3.97	-	190.37	194.34
Temporary difference of preliminary expenses	0.64	0.02	(0.64)	0.02
Unused business loss	139.59	-	34.09	173.68
Tax credit (minimum alternate tax)	3,303.43	-	(662.42)	2,641.01
Fair valuation of investments	-	-	2.10	2.10
Sub-Total	**4,027.24**	**0.02**	**(521.37)**	**3,505.89**
	(6,088.85)	**(73.53)**	**605.32**	**(5,557.06)**

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

Particulars	As at 01 April 2023	Acquisition in business combination (refer note 52)	Recognised in the Statement of Profit and Loss during the year	As at 31 March 2024
Liabilities				
Timing difference on amortisation of intangible assets and depreciation of PPE	2,270.69	7,174.07	300.60	9,745.36
Adjustment on account of upfront fees on borrowings	-	11.11	(10.95)	0.16
Fair valuation of investments	0.17	19.52	(9.06)	10.63
Receivable under service concession arrangement	-	517.52	(157.58)	359.94
Sub-Total	**2,270.86**	**7,722.22**	**123.01**	**10,116.09**
Assets				
Amount payable to Concession Authorities as per service concession agreement	417.52	-	66.62	484.14
Provision for major maintenance obligation	-	165.54	(70.07)	95.47
Provision for employee benefits	-	5.40	(1.43)	3.97
Temporary difference of preliminary expenses	-	0.67	(0.03)	0.64
Unused business loss	-	-	139.59	139.59
Tax credit (minimum alternate tax)	607.16	2,464.92	231.35	3,303.43
Sub-Total	**1,024.68**	**2,636.53**	**366.03**	**4,027.24**
	1,246.18	**5,085.69**	**(243.02)**	**6,088.85**

22 Other non-current liabilities

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Deferred Income	28.84	31.88
	28.84	**31.88**

23 Current borrowings

Unsecured		
Commercial paper	2,606.00	2,647.55
Current maturities of long term borrowings (refer note 18)		
Secured		
-Rupee term loans from banks	723.87	959.72
-Non-convertible debentures	4,196.49	431.97
Unsecured		
-Liability component on preference shares	-	129.42
	7,526.36	**4,168.66**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
24 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 54)	126.84	54.83
Total outstanding dues to creditors other than micro enterprises and small enterprises		
-to related parties	30.39	142.62
-to others	1,346.14	3,380.84
	1,503.37	3,578.29

Notes:
(i) Refer note 46 Financial risk management for presentation of financial instruments by category.
(ii) The carrying values are considered to be a reasonable approximation of fair value.

Trade payables ageing schedule

As at 31 March 2025	Outstanding for following period from due date of payment					Total
Particulars	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	13.15	111.93	1.54	0.18	0.04	**126.84**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	871.27	463.31	6.81	4.31	25.97	**1,371.67**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	4.86	**4.86**

As at 31 March 2024 (Refer note 52(a)(ii))	Outstanding for following period from due date of payment					Total
Particulars	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	9.78	44.24	0.17	0.12	-	**54.31**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	3,269.57	219.59	15.08	10.63	3.71	**3,518.58**
Disputed dues of micro enterprises and small enterprises	-	-	0.16	0.20	0.16	**0.52**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.02	-	4.86	**4.88**

Terms and condition of the above financial liabilities:
Credit period varies as per the contractual terms of various suppliers/vendors. The group has appropriate policy in place to ensure that all dues are paid within the credit terms agreed with the parties. Also, refer group credit risk management policy.

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
25 Other current financial liabilities		
Deferred payment liabilities-payable to concession authorities for toll collection right	150.55	154.02
Retention money	386.66	191.08
Advance against customers	-	0.51
Interest accrued on rupee term loan	2.47	4.14
Interest accrued on non convertible debentures ('NCDs')	4.49	2.39
Interest accrued but not due on borrowings	-	554.11
Employees payable	16.57	21.22
Provision for corporate social responsibility (CSR) (refer note 36)	20.28	15.09
Consideration payable towards acquisition of subsidiaries (refer note 52)	92.28	578.09
Payable under the service concession arrangement (refer note 6)	127.95	-
Other payables	128.16	334.33
Security deposits	2.46	-
	931.87	1,854.98

Note:
(i) Refer note 46 Financial risk management for presentation of financial instruments by category.

26 Other current liabilities		
Payable to statutory authorities	340.98	167.73
Advance from customers	22.29	-
Deferred income	8.59	-
Other payables	47.18	126.52
	419.04	294.25

Note:
(i) Refer note 46 Financial risk management for presentation of financial instruments by category.

27 Provisions		
Provision for employee benefits		
Gratuity (Refer note 44)	4.57	2.28
Compensated absences (Refer note 44)	2.00	2.83
Other provisions		
Major maintenance obligation (Refer note 20)	1,729.51	3,001.57
Provision for infrastructure upgrade (Refer note 20)	588.57	-
Others	2.01	12.19
Provision for routine maintenance	14.70	-
	2,341.36	3,018.87

28 Current tax liabilities (net)		
Provision for income tax (net)	6.85	11.32
	6.85	11.32

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

		For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
29	**Revenue from operations***		
	Income arising out of toll collection	18,636.10	10,592.23
	Interest income on annuity receivable from NHAI	1,140.78	486.70
	Revenue from operations and maintenance of road	855.49	1,005.28
	Claim from NHAI	-	7,820.73
	Change of scope and utility shifting expenses	639.13	86.56
		21,271.50	**19,991.50**

*Refer Note 48 for disaggregation of revenue.

29A	**Profit on sale of assets/investments**		
	Gain on sale of property, plant and equipment (net)	3.82	0.77
	Gain on investments carried at fair value through profit and loss (net)	-	55.83
	Gain on sale of investments (net)	448.90	198.52
		452.72	**255.12**
30	**Other income**		
	Interest income		
	-Income tax refund	14.71	6.38
	-Others	1.05	0.77
	Sale of scrap	3.17	-
	Other non operating income		
	Insurance claims	16.32	7.43
	Gain on modification of liability	427.60	-
	Excess provisions written back	83.08	50.23
	Pass through claim received from NHAI	184.00	-
	Gain on modification of annuity	-	41.19
	Deferred considaration liabilities no longer required written back	38.31	-
	Miscellaneous income	25.04	12.43
		793.28	**118.43**
31	**Employee benefits expense***		
	Salary, wages and bonus	267.57	137.73
	Contribution to provident and other funds	16.33	19.32
	Staff welfare expenses	29.42	16.08
		313.32	**173.13**

*For disclosures related to provision for employee benefits, refer note 44 - Employee benefit obligations.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

		For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
32	**Interest on Borrowings**		
	Interest on term loan and debentures	2,995.83	2,271.85
	Interest on compulsory convertible debentures	88.91	437.53
	Interest on commercial paper	212.95	89.93
		3,297.69	**2,799.31**
33	**Other finance costs**		
	Unwinding of discount on provisions and financial liabilities carried at amortised cost	61.69	56.97
	Unwinding of discount on major maintenance provision	157.07	100.81
	Unwinding of discount on infrstructure upgrade works	8.29	-
	Unwinding finance cost on deferred payment to NHAI for purchase of right to charge user of toll roads	185.45	181.66
	Modification loss on financial liability	-	14.46
	Interest on statutory dues	0.12	-
	Finance and bank charges	102.43	85.58
	Other borrowing costs	33.75	-
		548.80	**439.48**
34	**Operating expenses**		
	Change of scope and utility shifting expenses	601.09	4,307.72
	Expense for handover cost of project	15.87	-
	Expenses related to claim from NHAI/ Public Works Department ('PWD')	184.00	3,567.00
		800.96	**7,874.72**
35	**Other expenses**		
	Power, fuel and water charges	24.22	33.31
	Modification loss on financial assets	186.11	-
	Communication	9.01	3.95
	Rates and taxes	4.33	0.14
	Travelling and conveyance	31.70	21.10
	Director sitting fees	1.37	0.86
	Rent (refer note 41)	2.62	2.59
	Bad debts written off	0.62	1.83
	Printing and stationery	2.12	0.85
	Miscellaneous expenses	60.07	16.74
	Loss on investments carried at fair value through profit and loss (net)	68.13	-
		390.30	**81.37**
35	**Audit fees***		
	Payment to auditors		
	(a) Statutory audit and limited review fees	22.47	20.78
	(b) Certification fees	2.83	3.85
	(c) Out of pocket expenses	1.26	0.58
		26.56	**25.21**

*Including goods and service tax, as applicable.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

36 Corporate social responsibility (CSR)

Pursuant to provisions of section 135 of the Companies Act 2013 ('the Act') are applicable on few subsidaries of the Trust. In accordance with the provisions of section 135 of the Act, the Board of Directors of the respective subsidiaries (where applicable) of Trust had constituted CSR Committee.The details of CSR activities are as follows:-

		For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
i)	Amount required to be spent by the Group (pertaining to period before date of acquisition by the trust)	-	8.12
ii)	Amount required to be spent by the Group during the year	118.48	32.15
iii)	Total of previous years shortfall	15.07	0.78
iv)	**Total amount required to be spent (i + ii + iii)**	**133.55**	**41.05**
v)	Amount of expenditure incurred during the year	113.27	25.98
vi)	**Unspent amount at the end of the year (iv - v)^**	**20.28**	**15.07**

^The unspent amount has been deposited to designated CSR unspent account within 30 days from the end of the financial year in accordance with provision of Companies Act, 2013 read with relevant rules made thereunder.

Nature of CSR activities

Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation.	-	5.84
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	113.27	6.14
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	-	-
Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.	-	-
Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	-	-
Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	-	14.00
Total expenditure incurred	**113.27**	**25.98**

Note:

(i) The Group carries provision for corporate social responsibility for the current year and previous year.
(ii) The Group have ongoing projects in subsidiaries as at 31 March 2025 and 31 March 2024.

37 Exceptional items

	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Impairment of intangible assets	-	587.81
Impairment of goodwill	-	3,101.73
	-	3,689.54

i) **a. Impairment loss/reversal**

As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of intangible assets (toll collection rights) and provided for an impairment loss of ₹ Nil millions (31 March 2024: ₹ 587.81 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended 31 March 2025.

The recoverable value determined through value in use method in respect of intangible assets. Refer table below for discount rate used for determining the recoverable value for the year ended 31 March 2025 and 31 March 2024.

b. Summary of impairment loss

Name of entity	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
UTPL	-	243.91
STPL	-	343.90
	-	587.81





c. Statement showing recoverable value and discount rates of following subsidiaries :

Recoverable value	UTPL	STPL	Total
31 March 2025	-	-	-
31 March 2024	8,919.26	12,995.58	**21,914.84**

d. Details of discount rate used for determining the recoverable value :

	UTPL	STPL
31 March 2025	-	-
31 March 2024	10.60%	9.94%

ii) During the previous year ended 31 March 2024, the Trust has acquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations Ind AS 103'), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.
The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL.

Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the reporting date, based on the detailed fair valuation exercise undertaken by the management considering the future projected cash flows of the asset , the recoverable amount of goodwill is Nil. Recoverable amount is value in use of the acquired assets computed based upon projected cash flows using anticipated revenue growth from inputs provided in the traffic study report (average growth rate of 7.6% across the project life cycle). The discount rate used is 9.94%. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount is in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the year.

38 Assets pledged as security

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(iii))
Current		
Inventories (refer note 9)	24.00	-
Investments (refer note 10)	1,022.45	9,178.37
Trade receivables (refer note 11)	164.95	313.08
Cash and cash equivalents and bank balances (refer note 12 and 13)	7,296.07	9,543.02
Other financial assets (refer note 14)	3,557.02	2,789.52
Other current assets (refer note 15)	1,018.55	678.70
Total current assets pledged as security	**13,083.04**	**22,502.69**
Non-current		
Property, plant and equipment (refer note 3)	462.77	384.12
Intangible assets (refer note 5)	1,19,458.14	57,948.28
Capital work in progress (refer note 4)	2.48	50.98
Other non-current financial assets (refer note 6)	9,060.53	8,710.62
Other non-current assets (refer note 8)	331.38	127.26
Total non-currents assets pledged as security	**1,29,315.30**	**67,221.26**
Total assets pledged as security	**1,42,398.34**	**89,723.95**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

39 Tax expense

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
(i) Income tax expense recognised in Statement of Profit and Loss		
Current tax	1,357.65	505.87
Deferred tax	(605.32)	(243.02)
	752.33	**262.85**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

Particulars		
Profit before tax	6,200.69	2,422.07
Income tax using the Group's domestic tax rate under Income-tax Act, 1961*		
	29.12%	29.12%
Expected tax expense [A]	**1,805.64**	**705.31**
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:		
Deferred tax asset not recognised on tax losses as reversing within tax holiday period	(1,878.38)	(751.36)
Effect of MAT Impact	348.31	(200.35)
Effects of unrecognised deferred tax assets/liabilities on deductible temporary differences	476.76	509.25
Total adjustments [B]	**(1,053.31)**	**(442.46)**
Actual tax expense [C=A+B]	**752.33**	**262.85**
*Domestic tax rate applicable to the Group has been computed as follows :		
Base tax rate	25.00%	25.00%
Surcharge (% of tax)	12.00%	12.00%
Cess (% of tax)	4.00%	4.00%
Applicable rate	29.12%	29.12%

(ii) Unrecognised deferred tax:

Deferred tax assets/(liability) has not been recognised in respect of following items because the said temporary differences, business loss etc. will reverse during the holiday period u/s 80IA of the Income-tax Act, 1961 and deferred tax asset is not recognised in the absence of reasonable certainty that future taxable amounts will be available to utilize these temporary differences and business losses:

Business losses and unabsorbed depreciation

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised (Refer (a) and (b) below)	17,595.74	16,662.17
Potential tax benefit @ 29.12% (31 March 2024 : 29.12%)	5,123.88	4,852.02

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

(a) **Unused business loss can be carried forward based on the year of origination as follows:**

Financial year/period of origination	Financial year of expiry	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
31 March 2022	31 March 2030	3,582.99	3,592.85
31 March 2023	31 March 2031	739.53	739.53
31 March 2024	31 March 2032	2,188.05	1,699.14
31 March 2025^	31 March 2033	2,852.12	-
		9,362.69	**6,031.52**

(b) **Unabsorbed depreciation**

Unabsobed depreciation on which no deferred tax asset has been recognised
Potential tax benefit @ 29.12% (31 March 2024 : 29.12%)

Unabsored depreciation carried forward based on the year of origination as follows:

Financial year/period of origination	Financial year of expiry	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
31 March 2011	Infinite period	788.68	788.68
31 March 2012	Infinite period	14.99	704.49
31 March 2013	Infinite period	13.36	571.97
31 March 2014	Infinite period	974.08	1,372.77
31 March 2015	Infinite period	1,708.50	1,903.90
31 March 2016	Infinite period	1,337.62	1,628.62
31 March 2017	Infinite period	1,183.46	1,207.80
31 March 2018	Infinite period	665.60	665.60
31 March 2019	Infinite period	390.84	390.84
31 March 2020	Infinite period	224.30	224.30
31 March 2021	Infinite period	45.89	45.89
31 March 2022	Infinite period	247.27	247.27
31 March 2023	Infinite period	284.26	284.26
31 March 2024	Infinite period	277.69	594.26
31 March 2025^	Infinite period	76.51	-
		8,233.05	**10,630.65**

(c) **Minimum alternate tax (MAT):**

Tax credits have been recognised on the basis that recovery is probable in the foreseeable future. This recognised MAT credit expires, if unused, based on the year of origination as follows:

Financial year/period of origination	Financial year of expiry	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
31 March 2015	31 March 2030	7.12	7.12
31 March 2016	31 March 2031	6.68	6.68
31 March 2017	31 March 2032	23.11	23.11
31 March 2018	31 March 2033	20.69	20.69
31 March 2019	31 March 2034	5.34	5.34
31 March 2020	31 March 2035	66.37	66.37
31 March 2021	31 March 2036	39.73	39.73
31 March 2022	31 March 2037	29.77	29.77
31 March 2023	31 March 2038	70.55	70.55
31 March 2024	31 March 2039	124.74	124.75
31 March 2025^	31 March 2040	172.84	-
		566.94	**394.11**

^ The amount has been derived based on income tax computation estimated by management for financial year ended 31 March 2025.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

40 Earnings per unit (EPU)

The following table reflects the income and share data used in the basic and diluted EPU computations:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Net profit/ (loss) attributable to unitholders	4,681.11	(1,606.11)
Number of weighted average units (Nominal value of ₹ 100 each)		
- Basic *	92,90,98,369	49,99,75,102
- Diluted **	92,90,98,369	49,99,75,102
Earnings per unit - after exceptional items and tax		
- For Basic (₹)*	5.04	(3.22)
- For Diluted (₹)**	5.04	(3.22)

Note:

*Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the year.

**Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

41 Information on lease transactions pursuant to Ind AS 116 - Leases

The Group is a lessee under various short term leases. Rental expense on short term or low value leases for the financial years ended 31 March 2025 and 31 March 2024 is ₹ 2.62 millions and ₹ 2.59 millions respectively.

42 Capital and other commitments

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Estimated project cost for construction of highway committed to be executed	589.21	337.56
	589.21	**337.56**

43 Contingent liabilities and claims

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
a) Income tax cases in respect of the Group	431.09	368.43
b) Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act , 1899 under appeals	224.90	221.19
c) Labour welfare dues in respect of which the Group is in appeals	46.80	47.78
	702.79	**637.40**



(This space has been intentionally left blank)



44 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

A. Defined contribution plan

The Group's contribution to Provident Fund amounts to ₹ 17.62 millions (31 March 2024: ₹ 19.32 millions) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

The Group's contribution to Employee State Insurance Corporation amounts to ₹ 0.27 millions (31 March 2024: ₹ Nil) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

B. Summary of gratuity and compensated absences:

Particulars	As at 31 March 2025		As at 31 March 2024 (Refer note 52(a)(ii))	
	Current	Non current	Current	Non current
Provisions:				
Gratuity	4.57	24.41	2.28	24.75
Compensated absences	2.00	19.26	2.83	17.31
Total provisions	**6.57**	**43.67**	**5.11**	**42.06**
Fair value of plan assets of gratuity	-	-	2.09	-

Disclosure of gratuity

Gratuity (funded)

The group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The group provides for gratuity, based on actuarial valuation as of the balance sheet date. Vesting occurs upon completion of 5 years of service.

Description of risk exposures:

A description of the risks to which the plan exposes the entity, focused on any unusual, entity specific or plan-specific risks, and of any significant concentrations of risk." for example interest rate risk, liquidity risk, salary escalation risk etc. Following are some of the risks that the Group is exposed to:

(a) **Salary increases** -Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) **Investment risk** - If plan is funded then assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) **Discount rate**- Reduction in discount rate in subsequent valuations can increase the plan's liability.

(d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

(i) Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Current service cost	5.87	5.78
Interest cost on defined benefit obligation (DBO)	3.83	3.63
Interest income on plan assets	(2.13)	-
Net impact on profit (before tax)	**7.57**	**9.41**
Actuarial loss/(gain) recognised during the year	0.85	(1.12)
Amount recognised in total comprehensive income	**8.42**	**8.29**

(ii) Movement in present value of obligation:

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Defined benefit obligation at the start of the year	54.47	14.20
Acquisition under business combination (refer note 52)	-	41.18
Transfer out obligation	-	0.20
Interest Cost	3.83	3.63
Current service cost	5.87	5.78
Actuarial loss /(gain) recognised during the year	0.90	2.60
Benefit paid	(7.61)	(13.12)
Defined benefit obligation: at the end of the year	**57.46**	**54.47**

(iii) Movement in the plan assets recognised in the Consolidated Balance Sheet is as under:

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Fair value of plan assets at the beginning of the year	29.54	3.23
Acquisition under business combination (refer note 52)	-	37.75
Actual return on plan assets	2.13	2.45
Current service cost	-	0.88
Transfer in/(out) plan assets	1.67	(2.60)
Contributions	1.47	2.88
Benefit paid	(6.37)	(12.28)
Actuarial gain	-	(0.61)
Remeasurement return on assets	0.04	(1.45)
Advance toward gratuity	-	0.09
Fair value of plan assets at the end of the year	**28.48**	**29.54**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

HIGHWAYS INFRASTRUCTURE TRUST

(iv) **Reconciliation of present value of defined benefit obligation and the fair value of assets:**

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Present value of funded obligation as at the end of the year	57.46	54.47
Fair value of plan assets as at the end of the year funded status	28.48	29.54
Unfunded/funded net liability recognized in consolidated balance sheet	**28.98**	**24.93**

(v) **Bifurcation of actuarial gain/loss:**

	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Actuarial loss/(gain) arising from change in demographic assumption	(0.29)	(0.04)
Actuarial loss/(gain) arising from change in financial assumption	0.13	(1.49)
Actuarial loss/(gain) arising from experience adjustment	1.05	(1.65)
Return on plan assets (excluding amount recognised in net interest expense)	(0.04)	2.06
Total actuarial loss/(gain) for the year	**0.85**	**(1.12)**

(vi) **Actuarial assumptions:**

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Discount rate range	6.85%	7.2 % to 7.45 %
Rate of increase in compensation levels range	8% to 8.5%	6 % to 10 %
Retirement age (in years)	58 years to 60 years	58 years to 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

(vii) **Sensitivity analysis for gratuity liability:**

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Impact of change in discount rate		
Present value of obligation at the end of the period/year	**57.46**	**54.47**
- Impact due to increase of 0.50% - 1 %	45.04	58.4
- Impact due to decrease of 0.50% - 1 %	36.52	51
Impact of change in salary increase		
Present value of obligation at the end of the period/year	**57.46**	**54.47**
- Impact due to increase of 0.50% - 1 %	36.98	51.17
- Impact due to decrease of 0.50% - 1 %	44.42	58.06

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

(ix) **Maturity Profile of Defined Benefit Obligation**

Expected cash flows over the years (valued on undiscounted basis):

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Within next 12 months	3.79	3.58
Between 1-5 years	15.55	13.61
Beyond 5 years	51.94	68.55
Total expected payments	**71.28**	**85.74**
Weighted average duration (based on discounted cashflows)	7.75 - 15.67 years	7.75 - 15.67 years

B. Compensated absence

Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Current service cost	5.27	2.46
Interest cost	0.84	0.83
Actuarial loss recognised during the period	0.46	0.55
Amount recognised in the Consolidated Statement of Profit and Loss	**6.57**	**3.84**



(This space has been intentionally left blank)



45 Categories of financial instruments and fair value measurement hierarchy:

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Balance Sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: Inputs are other than quoted prices included within level-1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs is not based on observable market data(unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	1,022.45	-	-	**1,022.45**

As at 31 March 2024 (Refer note 52(a)(ii))	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	9,178.37	-	-	**9,178.37**

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units are based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows:

Particulars	Level	As at 31 March 2025		As at 31 March 2024 (Refer note 52(a)(ii))	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost:					
Receivables under service concession arrangement	Level 3	11,915.12	12,086.21	10,487.18	11,285.24
Other financial assets	Level 3	702.43	702.43	1,012.96	1,012.96
Trade receivables	Level 3	164.95	164.95	313.08	313.08
Cash and cash equivalents	Level 3	4,521.97	4,521.97	1,283.62	1,283.62
Bank balance other than cash and cash equivalents	Level 3	2,774.10	2,774.10	8,259.40	8,259.40
Total financial assets		**20,078.57**	**20,249.66**	**21,356.24**	**22,154.30**
Financial liabilities					
Borrowings	Level 3	49,327.28	49,327.28	41,259.34	41,259.34
Trade payables	Level 3	1,503.37	1,503.37	3,578.29	3,578.29
Other financial liabilities	Level 3	2,545.75	2,545.75	3,442.29	3,442.29
Total financial liabilities		**53,376.40**	**53,376.40**	**48,279.92**	**48,279.92**

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, trade payables, current borrowings and other current financial liabilities (except current maturities of long term borrowings, deferred payment liabilities and current portion of annuity receivable) is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Long-term fixed rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
(ii) The fair values of the Group's loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting period end was assessed to be insignificant.
(iii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's credit worthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

iii) Financial instruments by category

Particulars	As at 31 March 2025			As at 31 March 2024 (Refer note 52(a)(ii))		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	1,022.45	-	-	9,178.37	-	-
Other financial assets	-	-	12,617.55	-	-	11,500.14
Trade receivables	-	-	164.95	-	-	313.08
Cash and cash equivalents	-	-	4,521.97	-	-	1,283.62
Other bank balances	-	-	2,774.10	-	-	8,259.40
Total	**1,022.45**	**-**	**20,078.57**	**9,178.37**	**-**	**21,356.24**
Financial liabilities						
Borrowings	-	-	49,327.28	-	-	41,259.34
Trade payables	-	-	1,503.37	-	-	3,578.29
Other financial liabilities	-	-	2,545.75	-	-	3,442.29
Total	**-**	**-**	**53,376.40**	**-**	**-**	**48,279.92**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

46 Financial risk management

i) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Consolidated financial statements:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents above, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and
Market risk : price risk	Investment at fair value through profit or loss	Sensitivity analysis	Diversification of its portfolio of assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to Special Purpose Vehicles (SPVs), placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- Cash and cash equivalents,
- Trade receivables,
- Loans and receivables carried at amortised cost, and
- Deposits with banks

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
A: Low	Other current and non current financial assets	12,617.55	11,500.14
	Cash and cash equivalents	4,521.97	1,283.62
	Bank balances other than cash and cash equivalents above	2,774.10	8,259.40
B: Medium	Trade receivables from NHAI	164.95	313.08

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Group has trade receivables primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other annuity receivable is primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously. Credit risk related to these other financial assets (except annuity receivables) is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Trade receivables

The Group is engaged in infrastructure development business under Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project, and Hybrid Annuity Model (HAM) projects. It currently derives its revenue primarily from toll collection / annuity business. Since the annuity receivables are from National Highway Authority of India ('NHAI') and various Government authorities, the credit risk with respect to such receivables from government institutions is expected to be very low and hence, no provision for expected credit loss is deemed necessary except in the case where particular receivables are known to be uncollectable. During the current year, the Group has not recognized any further provision for expected credit losses. There is no outstanding allowance of expected credit losses amounts as at 31 March 2025 (31 March 2024: Nil).

Financial assets (other than trade receivables)

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents and bank balances other than cash and cash equivalents - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans and other financial assets - Credit risk is evaluated based on the Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the the Group can draw to apply consistently to entire population.

Further during the year, the Group has not recognised any additional expected credit loss (31 March 2024: Nil). There is no outstanding allowance of expected credit losses amounts as at 31 March 2025 (31 March 2024: Nil).

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

(a) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting periods:

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Undrawn amount	70,500.00	4,751.57
	70,500.00	**4,751.57**

(b) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows net of processing fees.

As at 31 March 2025	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	11,391.76	15,497.62	11,920.13	36,048.91	**74,858.42**
Trade payables	1,503.37	-	-	-	**1,503.37**
Other financial liabilities	781.32	-	-	-	**781.32**
Deferred payment liabilities to concessions authorities	158.19	340.56	375.48	3,448.97	**4,323.20**
Total	**13,834.64**	**15,838.18**	**12,295.61**	**39,497.88**	**81,466.31**

As at 31 March 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	7,103.04	19,388.58	6,880.51	29,244.46	**62,616.58**
Trade payables	3,578.29	-	-	-	**3,578.29**
Other financial liabilities	1,700.96	-	-	-	**1,700.96**
Deferred payment liabilities to concessions authorities	151.52	326.15	359.58	3,988.96	**4,826.22**
Total	**12,533.81**	**19,714.73**	**7,240.09**	**33,233.42**	**72,722.05**

C) Market risk

(i) Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Variable rate borrowing	36,561.09	24,792.40
Fixed rate borrowing	12,766.19	16,466.94
Total borrowings	**49,327.28**	**41,259.34**
Amount disclosed under current borrowings	7,526.36	4,168.66
Total Amount disclosed under non-current borrowings	**41,800.92**	**37,090.68**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Interest sensitivity*		
Interest rates – increase by 100 bps*	365.61	247.92
Interest rates – decrease by 100 bps*	(365.61)	(247.92)

** Holding all other variables constant*

ii Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group is not exposed to foreign currency risk as it has no borrowing in foreign currency.





(b) **Price risk**

i) **Exposure**

The Group's exposure to price risk arises from investments held and classified in the Balance Sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

ii) **Sensitivity**

The table below summarises the impact of increase/decrease of the NAV of mutual funds on the Group's profit/(loss) for the year :

Impact on profit before tax

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Mutual Funds		
Net assets value – increase by 100 bps	10.22	91.78
Net assets value – decrease by 100 bps	(10.22)	(91.78)

47 Capital management

For the purpose of the Group's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group's policy is to keep the gearing ratio optimum. The Group includes within its net debt, borrowings less cash and cash equivalents.

Debt equity ratio

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Net debt*	47,351.06	43,418.01
Total equity	75,388.66	25,972.53
Net debt to equity ratio (in times)	**0.63**	**1.67**

***Net debt**

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Non current borrowings (refer note 18)	41,800.92	37,090.68
Current borrowings (refer note 23)	7,526.36	4,168.66
Interest accrued (refer note 25)	6.96	560.64
Other financials liabilities excluding interest accrued (refer note 25 & 19)	2,538.79	2,881.65
Less: Cash & cash equivalents and bank balances other than cash and cash equivalents (refer note 12)	(4,521.97)	(1,283.62)
	47,351.06	**43,418.01**

(This space has been intentionally left blanks)





48 Revenue from contracts with customers

1 Disaggregation of revenue

Revenue recognised mainly comprises of revenue from toll collections, annuity with National Highways Authority of India ("NHAI"), contract revenue. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Operating revenue		
(a) Change of scope and utility shifting expenses	639.13	86.56
(b) Income arising out of toll collection	18,636.10	10,592.23
(c) Revenue from operations and maintenance of road	855.49	1,005.28
(d) Interest income on annuity receivable from NHAI	1,140.78	486.70
(e) Claim from NHAI	-	7,820.73
Total revenue	**21,271.50**	**19,991.50**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Timing of revenue recognition		
Services provided at point in time	20,130.72	19,504.80
Services transferred over the period of time	1,140.78	486.70
Total revenue	**21,271.50**	**19,991.50**

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note 52(a)(ii))
Contract assets		
Trade receivables	164.95	313.08
Receivables under service concession arrangements	11,915.12	10,487.18
Total	**12,080.07**	**10,800.26**
Contract liability		
Payable under the service concession arrangement (refer note 6)	127.95	-
Total	**127.95**	-

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognized upon satisfaction of Performance obligation. Trade Receivables are non-interest bearing and are generally due within 180 days except retention money held by the customer as per the terms and conditions of the contract. Basis the credit risk assessment done by the Group, there is no provision for expected credit losses required to be recognized on Trade Receivables. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

3 There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement to the with the contracted price under the Contract.

4 For movement in service concession arrangement, refer note 6 for financial asset model. There are no significant changes in other contract assets of the group.

5 Performance obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI and approved by management and payment is generally due at the time of

Contract revenue

The performance obligation under service concession agreements ('SCA') is due on completion of work as per terms of SCA.

6 Significant changes in the contract liabilities balances during the year

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
Opening balance	-	-
Addition during the year	127.95	-
Revenue recognised during the year	-	-
Closing balance	**127.95**	-

WALKER, CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

7 Disclosure under Appendix - D & E to Ind AS 115 - " Service Concession Arrangements"

Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date (In Years)	Construction Completion date under the concession agreement
JPEPL	16 September 2013	13 November 2043	30.18	31 October 2014
UEPL	16 October 2006	28 february 2027	20.38	23 July 2009
GEPL	01 March 2011	02 September 2043	32.53	26 August 2013
DBCPL	20 March 2008	02 December 2033	25.72	10 February 2009
NBL	30 October 2007	29 October 2027	20.01	22 July 2009
SEPL	07 February 2011	06 February 2026	15.01	28 February 2013
GSHPL	30 January 2019	25 February 2037	15.01	25 February 2022
ANHPL	28 February 2020	11 March 2037	15.01	11 March 2022
RAHPL	14 January 2020	14 November 2036	15.01	15 November 2021
UTPL	05 September 2010	12 January 2036	25.37	30 January 2017
GRICPL	24 October 2000	23 October 2030	30.00	VHRP: 24 October 2000
	20 February 2003	19 February 2033		AMRP: 20 February 2003
STPL	27 September 2001	26 September 2031	30.00	TN: 21 May 2004
				NI: 12 September 2004
BETPL	24 July 2006	10 September 2026	20.15	01 April 2011
NTEPL	14 February 2025	13 February 2045	20.01	NA
RBPL	15 January 2021	24 May 2038	15.01	25 May 2023

i) The above BOT/DBFOT/ HAM projects shall have following rights/ obligations in accordance with the concession agreement entered into with the respective government
   a. Right to use the specified assets
   b. Obligations to provide provision of services to public
   c. Obligations to deliver road assets at the end of concession period

ii) The actual concession period may vary based on terms of the respective concession agreements

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

49 Related party disclosures:

I Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties:

Subsidiaries
Ulundurpet Expressways Private Limited ("UEPL")
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited")
Godhra Expressways Private Limited ("GEPL")
Dewas Bhopal Corridor Private Limited ("DBCPL")
Shillong Expressway Private Limited ("SEPL")
Jodhpur Pali Expressway Private Limited ("JPEPL")
Udupi Tollway Private Limited ("UTPL")
Ateli Narnaul Highway Private Limited ("ANHPL")
Rewari Ateli Highway Private Limited ("RAHPL")
Gurgaon Sohna Highway Private Limited ("GSHPL")
Swarna Tollway Private Limited ("STPL")
Gujarat Road And Infrastructure Company Limited ("GRICL")
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
North Telanaga Expressway Private Limited ("NTEPL") w.e.f. 15 October 2024
Rewari Bypass Private Limited ('RBPL') (formerly known as "H.G. Rewari Bypass Private Limited ('RBPL')") w.e.f. 20 Febuary 2025
Holding Entity
Galaxy Investments II Pte. Ltd

Intermediate holding entities
Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte. Ltd

Ultimate holding entity
KKR Asia Pacific Infrastructure Investors SCSp*
*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

Fellow subsidiaries*
Highway Concessions One Private Limited ("HC1")
HC One Project Manager Private Limited
**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"
Refer note II C. (xiv) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust.

II List of additional related parties as per Regulation 2(1)(zv) of the SEBI Regulations

A. Parties to Highways Infrastructure Trust
Sponsor Company:
The following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the SEBI Regulations with the proviso to Regulation(4)(2)(d)(i) of the SEBI Regulations
Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l
Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)
KKR Associates AP Infrastructure II SCSp (w.e.f. 19 January 2024)
KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)
Highway Concessions One Private Limited - Investment Manager of Trust
HC One Project Manager Private Limited - Project Manager of the Trust
Axis Trustee Services Limited ("ATSL") - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above
Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *
HIGHWAYS INFRASTRUCTURE TRUST

C. Directors / General partners / Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd
Tang Jin Rong
Goh Ping Hao
Madhura Narawane

(ii) Directors of Galaxy Investments Pte. Ltd
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd
Tang Jin Rong
Goh Wei Chong

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l.

(vi) Managers of KKR AP Infrastructure S.à r.l
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(viii) Directors of Nebula I Investments Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.
Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp
KKR Associates AP Infrastructure II SCSp

(xi) General Partner of KKR Associates AP Infrastructure II SCSp
KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l.
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(xiii) Directors of Axis Trustee Services Limited
Mr. Rahul Ranjan Choudhary, CEO and Managing Director (w.e.f 06 February 2025)
Ms. Deepa Rath CEO (KMP), Managing Director (till 05 February 2025)
Mr. Sumit Bali, Non-executive Director (w.e.f 16 January 2024 to 16 August 2024)
Mr. Prashant Joshi, Non-executive Director (w.e.f 16 January 2024)
Mr. Parmod Kumar Nagpal, Director (w.e.f 03 May 2024)
Mr. Arun Mehta, Director (w.e.f 03 May 2024)
Mr. Rajesh Kumar Dahiya, Director (till 15 January 2024)
Mr. Ganesh Sankaran, Director (till 15 January 2024)





(xiv) Directors/KMP of Highway Concessions One Private Limited

Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024)
Dr. Zafar Khan, (KMP), Joint CEO (w.e.f 01 April 2024 to 07 August 2024) and Executive director and Joint CEO (w.e.f 08 August 2024)
Mr. Neeraj Sanghi, CEO (KMP) and Whole time Director (till 31 March 2024)
Mr. Hardik Bhadrik Shah, Non-executive Director
Ms. Ami Vinoo Momaya, Non-executive Director
Ms. Sudha Krishnan, Independent Director
Mr. Subramanian Janakiraman, Independent Director
Mr. Manish Agarwal, Independent Director
Mr. Rajesh Kumar Pandey, Independent Director (w.e.f. 16 May 2024)
Mr. Steffano Ghezzi, Nominee Director (w.e.f 16 May 2024 to 14 November 2024)
Mr. Soma Sankara Prasad, Independent Director (w.e.f 08 August 2024)
Mr. Michael Nachaty, Nominee Director (w.e.f 24 February 2025)
Mr. Bruce Ross Crane, Nominee Director (w.e.f 13 December 2024)
Mr. Narayanan Doraiswamy, Chief Financial Officer (till 31 December 2023)
Mr. Abhishek Chhajer, Chief Financial Officer (w.e.f. 01 January 2024)
Ms. Meghana Singh, Compliance Officer (w.e.f 09 August 2024 to 07 November 2024)
Ms. Kunjal Shah, Company Secretary and Compliance Officer (till 08 August 2024)
Mr. Gajendra Mewara, Company Secretary and Compliance Officer (w.e.f. 08 November 2024)

(xv) Directors of HC One Project Manager Private Limited

Dr. Zafar Khan, Director
Mr. Abhishek Chhajer, Director (w.e.f 01 April 2024)
Mr. Neeraj Sanghi, Director (till 31 March 2024)





III Transactions and outstanding balances with related party

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note
Galaxy Investment II Pte Ltd.		
Transaction during the year		
Issue of unit capital	3,982.34	-
Interest expense on compulsarily convertible debentures ('CCD's)	88.93	416.63
Issuance of compulsarily convertible debentures ('CCD's)	-	621.01
Issuance of optionally convertible preference shares	-	24.42
Distribution to unit-holders^	7,325.47	3,315.00
Balance outstanding at the end of the year		
Unit capital	41,372.34	37,390.00
Compulsorily convertible debentures ('CCD's)	-	3,220.29
Interest payable on compulsorily convertible debentures ('CCD's)	-	424.61
Optionally convertible preference shares	-	129.42
Nebula Asia Holdings II Pte. Ltd.		
Transaction during the year		
Issue of unit capital	37,560.00	14,900.00
Distribution to unit-holders^	3,908.16	660.65
Balance outstanding at the end of the year		
Unit capital	52,460.00	14,900.00
2452991 Ontario Limited		
Transaction during the year		
Issue of unit capital	16,958.47	-
Distribution to unit-holders^	450.92	-
Balance outstanding at the end of the year		
Unit capital	30,483.47	-
Highway Concessions One Private Limited		
Transaction during the year		
Reimbursement of expenses	0.26	5.49
Investment manager fees	340.96	367.20
Balance outstanding at the end of the year		
Trade and other payables	17.56	118.84
HC One Project Manager Private Limited		
Transaction during the year		
Project manager fees	271.43	171.05
Management support service fees	1.91	9.02
Advance payment of Project Manager Fees	224.87	146.56
Transfer out obligation as per actuarial for employee benefit	-	0.07
Balance outstanding at the end of the year		
Project manager fees payable (net of advance)	8.66	7.95
Advance payment of Project Manager Fees	0.22	-
Axis Trustee Services Limited		
Transaction during the year		
Trustee fees	0.94	1.42
Initial acceptance fees	-	0.71
Balance outstanding at the end of the year		
Trustee fees	-	-
Axis Bank Limited		
Transaction during the year		
Loan taken	5,300.00	1,150.00
Processing fees	23.72	5.43
Repayment of loan taken	42.23	2,325.54
Interest on loan given	176.26	93.50
Interest on bank deposits	262.61	108.41
Bank charges	0.96	12.50
Investment in bank deposits	75,177.28	12,527.67
Redemption of term deposits	76,027.84	12,333.60
Balance outstanding at the end of the year		
Loan payable	6,875.64	1,617.87
Interest accrued on bank deposits	56.14	88.82
Outstanding bank deposits	3,523.10	4,373.66
Closing balance of current account	123.88	98.35

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
HIGHWAYS INFRASTRUCTURE TRUST

Note:
a) All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year/period ends are secured and unsecured and settlement is generally done through banking channels.
b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Trust and relied upon by the auditors.

^ Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2023-24 and does not include the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

IV Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder on consolidated audited financials of the Trust for the year ended 31 March 2025

For the year ended 31 March 2025:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for investment in equity share capital, investment in compulsorily convertible debentures ('CCD')* and compulsorily convertible preference shares ('CCPS') of BETPL during the year ended 31 March 2025:

Particulars	Attributes
Discounting rate (WACC)	10.51%
Method of valuation	Discounted cash flows

*During the year ended 31 March 2025, the terms of CCD were converted into optionally convertible debentures ("OCDs").

During the year ended 31 March 2025, the Trust has acquired Subsidiaries namely RBPL however the same is not acquired from related parties, hence no disclosure is made in respect of that.

B **Material conditions or obligations in relation to the transactions:**
The acquisition have been made pursuant to the terms mentioned in a resolution of the existing unitholders approving the issue of units, in accordance with Regulation 22(5) of the SEBI Regulations passed on 11 June 2024 and Securities Purchase Agreement dated 30 August 2023 ("SPA") executed amongst the Galaxy Investments II Pte. Ltd ("Sponsor") and the Trust, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Sponsor transferred 100% of equity shares capital, CCD, and CCPS of BETPL to the Trust and price is discharged by the Trust by issuing 46,686,295 units at Net asset value ("NAV") of ₹ 85.30 per unit.

Accordingly, the Trust has acquired 21,591,279 equity shares (including of nominee), 32,202,939 CCD and 12,941,850 CCPS of BETPL from the Sponsor as on 12 June 2024.

C No external financing has been obtained for acquisition of BETPL.

D No fees or commission received or to be received from any associate party in relation to acquisition of BETPL.

For the year ended 31 March 2024:
During the year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

(This space has been intentionally left blanks)

WALKER, CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

50 Group information

(a) Information about subsidiary

The Group's details as at 31 March 2025 is set out below. Unless otherwise stated, they have equity capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	County of incorporation	% equity Interest	
			As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
DBCPL	Construction and operation of road including toll collection/annuity collection	India	100.00%	100.00%
JPEPL		India	100.00%	100.00%
GEPL		India	100.00%	100.00%
UEPL		India	100.00%	100.00%
NBPL		India	100.00%	100.00%
SEPL		India	100.00%	100.00%
GSHPL		India	100.00%	100.00%
ANHPL		India	100.00%	100.00%
RAHPL		India	100.00%	100.00%
UTPL		India	100.00%	100.00%
GRICL		India	56.80%	56.80%
STPL		India	100.00%	100.00%
BETPL		India	100.00%	100.00%
NTEPL		India	100.00%	N.A.
RBPL		India	100.00%	N.A.

51. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

As at and for the year ended 31 March 2025

Name of Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated comprehensive income
Parent								
Highways Infrastructure Trust	93,131.91	117.16%	4,169.42	76.53%	-	0.00%	4,169.42	76.50%
Subsidiary								
DBCPL	575.57	0.72%	917.42	16.84%	(0.26)	-17.11%	917.16	16.83%
NBPL	(196.58)	-0.25%	44.20	0.81%	(0.11)	-7.24%	44.09	0.81%
JPEPL	(3,037.84)	-3.82%	(509.75)	-9.36%	(0.75)	-49.34%	(510.50)	-9.37%
GEPL	(5,429.97)	-6.83%	(102.72)	-1.89%	(0.16)	-10.53%	(102.88)	-1.89%
UEPL	256.47	0.32%	658.99	12.10%	(0.16)	-10.53%	658.83	12.09%
SEPL	4.05	0.01%	21.59	0.40%	(0.05)	-3.29%	21.54	0.40%
GSHPL	(177.72)	-0.22%	(2.86)	-0.05%	0.14	9.21%	(2.72)	-0.05%
ANHPL	(481.52)	-0.61%	(97.78)	-1.79%	(0.01)	-0.66%	(97.79)	-1.79%
RAHPL	(305.92)	-0.38%	(54.31)	-1.00%	0.03	1.97%	(54.28)	-1.00%
UTPL	(1,555.85)	-1.96%	(764.08)	-14.02%	0.48	31.58%	(763.60)	-14.01%
GRICL	(2,129.66)	-2.68%	825.65	15.15%	(2.39)	-157.24%	823.26	15.11%
STPL	(4,259.45)	-5.36%	581.30	10.67%	5.04	331.58%	586.34	10.76%
BETPL	267.89	0.34%	406.05	7.45%	(0.28)	-18.42%	405.77	7.45%
NTEPL	(1,218.51)	-1.53%	(1,218.51)	-22.36%	-	0.00%	(1,218.51)	-22.36%
RBPL	(54.21)	-0.07%	(54.21)	-0.99%	-	0.00%	(54.21)	-0.99%
Non Controlling Interest (NCI)	4,105.64	5.16%	627.96	11.53%	-	0.00%	627.96	11.52%
Total	**79,494.30**	**100.00%**	**5,448.36**	**100.00%**	**1.52**	**100.00%**	**5,449.88**	**100.00%**

As at and for the year ended 31 March 2024

Name of Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated comprehensive income
Parent								
Highways Infrastructure Trust	34,404.72	108.85%	(2,353.05)	153.76%	-	-	(2,353.05)	153.66%
Subsidiary								
DBCPL	490.91	1.55%	997.88	-65.21%	(0.03)	2.73%	997.85	-65.16%
NBPL	(240.71)	-0.76%	(9.75)	0.64%	0.02	-1.99%	(9.73)	0.64%
JPEPL	(2,527.35)	-8.00%	(545.04)	35.62%	(0.21)	19.83%	(545.24)	35.60%
GEPL	(5,326.91)	-16.85%	(243.51)	15.91%	(0.10)	9.51%	(243.61)	15.91%
UEPL	(397.30)	-1.26%	219.38	-14.34%	(0.27)	25.69%	219.11	-14.31%
SEPL	83.43	0.26%	115.42	-7.54%	(0.03)	3.19%	115.39	-7.54%
GSHPL	(175.00)	-0.55%	(130.59)	8.53%	0.03	-2.89%	(130.56)	8.53%
ANHPL	139.77	0.44%	139.79	-9.13%	-	0.00%	139.79	-9.13%
RAHPL	(142.21)	-0.45%	48.64	-3.18%	0.03	-2.53%	48.67	-3.18%
UTPL	(792.25)	-2.51%	(795.43)	51.98%	(0.02	-1.61%	(795.41)	51.94%
GRICL	202.33	0.64%	204.50	-13.36%	(1.58)	150.52%	202.93	-13.25%
STPL	268.22	0.85%	265.99	-17.38%	2.26	-215.49%	268.23	-17.52%
BETPL	22.41	0.07%	479.68	-31.34%	(0.09)	8.56%	479.59	-31.32%
Non Controlling Interest (NCI)	5,596.51	17.71%	75.77	-4.95%	(1.10)	104.47%	74.67	-4.88%
Total	**31,606.57**	**100.00%**	**(1,530.32)**	**100.00%**	**(1.05)**	**100.00%**	**(1,531.37)**	**100.00%**

52 Business Combinations

(a) Acquisitions of subsidiaries during the year ended 31 March 2025

(i) During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 18 March 2024 from National Highways Authorities of India ("NHAI").
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of RBPL on 20 Febuary 2025 ("acquisition date") for a cash consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) respectively from H.G Infra Engineering Limited. Consequently, RBPL have become a subsidiaries of the Trust. The Management has applied the optional concentration test under Ind AS 103 "Business Combination" and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in receivable under service concession arrangements with similar risk characteristics. Accordingly, these transactions have been accounted for as an asset acquisition.

The allocated value of the identifiable assets and liabilities as at the date of acquisition were

Particulars	Amount (in ₹ millions)
Assets	
Receivable under service concession arrangements	2,555.92
Other non-current assets	100.85
Cash and cash equivalents	409.50
Bank balances other than cash and cash equivalents above	200.00
Contract assets	365.80
Other current assets	113.68
Total assets (A)	**3,745.75**
Liabilities	
Borrowings	1,689.54
Deferred tax liabilities (net)	73.53
Borrowings	121.26
Trade payables	345.53
Other financial liabilities	11.18
Contract liabilities	77.29
Other current liabilities	0.06
Current tax liabilities (net)	4.36
Total liabilities (B)	**2,322.75**
Net assets (A-B)	**1,423.00**

WALKER, CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

(ii) During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). Galaxy Investments Pte. II Ltd had earlier acquired 76% stake on 29 March 2023 and balance 24% stake on 24 August 2023.
During the year ended 31 March 2025, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.

Pursuant to Ind AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and BETPL are ultimately controlled by Galaxy Investments Pte. II Ltd both before and after the acquisition. Accordingly Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

1) The assets and liabilities of the combining entities are reflected at their carrying amounts.
2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
3) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has restated comparative audited/unaudited financial information for period 01 April 2023 to 31 March 2024 as if the acquisition had occurred from begining of the preceeding period i.e 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024 and the difference between the purchase consideration and the value of net identifiable assets acquired has been disclosed as "Capital Reserve" amounting to ₹ 96.83 millions in other equity.

The details of recognised amounts of identifiable net assets of the business combination are as follows:

Particulars	Amount (in ₹ millions)
Non-current assets	
Property, plant and equipment	38.00
Intangible assets	2,324.69
Other financial assets	914.94
Non-current tax assets (net)	91.59
Total non-current assets	**3,369.22**
Current assets	
Investments	2,877.20
Trade receivables	2.45
Cash and cash equivalents	28.76
Bank balances other than cash and cash equivalents above	14.43
Other financial assets	6.35
Other current assets	10.32
Total current assets	**2,939.51**
Total Assets (A)	**6,308.73**
Equity	
Other equity	(118.05)
Total equity	**(118.05)**
Non-current liabilities	
Borrowings	3,220.29
Provision for employee benefits	3.47
Total non-current liabilities	**3,223.76**
Current liabilities	
Borrowings	744.99
Trade payables	65.71
Other financial liabilities	1,477.84
Other current liabilities	2.72
Provision for major Maintenance	679.70
Provision for employee benefits	0.20
Current tax liabilities (net)	15.95
Total current liabilities	**2,987.11**
Total liabilities (B)	**6,210.87**
Total equity and liabilities	**6,092.82**
Net assets acquired	**215.91**

Calculations of Capital Reserve

Particulars	Amount (in ₹ millions)
Purchase consideration	119.08
Less: Net assets acquired	(215.91)
Capital reserve	**(96.83)**



(This space has been intentionally left blank)



(b) Acquisitions of subsidiaries during the year ended 31 March 2024

(i) During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% shareholding of Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the year ended 31 March 2024, the Trust has acquired 100% stake on 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust. Accordingly, the revenue and corresponding expenses have been included from 02 November 2023 to 31 March 2024 in the consolidated statement of profit and loss for the year ended 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, there is a gain on bargain purchase due to excess of fair value of intangible assets acquired and liabilities assumed over the cash consideration paid. The aforesaid gain on bargain purchase amounting to ₹ 20.45 millions is credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combinations. Accordingly, necessary impacts have been considered in the audited financials for the year ended 31 March 2024.

(ii) During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited till 20 December 2023), Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited till 20 December 2023), Gurgaon Sohna Highway Private Limited ('GSHPL') and H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 29 September 2023 from National Highways Authorities of India ('NHAI') for 3 SPV's viz. Ateli Narnaul Highway Private Limited, Gurgaon Sohna Highway Private Limited and Rewari Ateli Highway Private Limited. Consequently, the Trust acquired 100% issued and paid up share capital of these 3 SPV's on 21 November 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 millions, ₹ 844.46 millions and ₹ 757.83 millions respectively from H.G Infra Engineering Limited. Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

Accordingly, the revenue and corresponding expenses for ANHPL, GSHPL and RAHPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study ("PPA") in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, necessary impacts have been considered in the financials for the year ended 31 March 2024.

(iii) During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 28 July 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on 24 January 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹ 20,745.90 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.

Accordingly, the revenue and corresponding expenses for GRICL and STPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combination. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. The gain on bargain purchase amounting to ₹ 1,651.53 millions pertaining to GRICL has been credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combination. Further goodwill amounting to ₹ 3,101.73 millions has been measured as excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed pertaining to STPL. All necessary impacts have been considered in the audited financials for the year ended 31 March 2024.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(This space has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

(b) (iv) The details of recognised amounts of identifiable net assets of the business combination are as follows as at 02 November 2023 for "UTPL", 21 November 2023 for "GSHPL", "ANHPL", "RAHPL" and 24 January 2024 for "GRICL" and "STPL":

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Non-current assets							
Property, plant and equipment	7.66	-	3.60		78.68	144.00	233.94
Work in Progress	5.61	-	-	-		0.32	5.93
Intangible assets	9,486.70	-	-	-	12,604.10	16,755.21	38,846.01
Financial assets							
Receivable under service concession arrangements	-	2,398.86	3,571.93	2,221.22	-	-	8,192.01
Others	3.63	-	-	-	1.92	103.15	108.70
Deferred tax assets (net)		5.35	-	-	-	-	5.35
Non-current tax assets (net)	4.90	38.84	20.93	13.78	67.58	-	146.03
Other non-current assets	4.68	83.21	121.07	97.64	38.82	-	345.42
Total non-current assets	**9,513.18**	**2,526.26**	**3,717.53**	**2,332.64**	**12,791.10**	**17,002.68**	**47,883.39**
Current assets							
Financial assets							
Investments	-	-	-	-	362.64	-	362.64
Trade receivables	7.77	7.36	-	17.47	431.90	-	464.50
Cash and cash equivalents	55.57	88.28	297.10	336.68	182.96	169.49	1,130.08
Bank balances other than cash and cash equivalents above	243.99	253.92	257.50	-	3,687.60	2,458.25	6,901.26
Receivable under service concession arrangements		453.35	694.03	415.50	-	-	1,562.88
Others	-	2.93	20.83	2.89	59.02	1,717.20	1,802.87
Plan assets - Gratuity					2.96		2.96
Other current assets	54.42	98.05	135.00	76.44	12.25	51.05	427.21
Total current assets	**361.75**	**903.89**	**1,404.46**	**848.98**	**4,739.33**	**4,395.99**	**12,654.40**
Total assets	**9,874.93**	**3,430.15**	**5,121.99**	**3,181.62**	**17,530.43**	**21,398.67**	**60,537.79**
Non-current liabilities							
Financial liabilities							
Borrowings	7,938.89	2,384.11	2,882.57	1,819.06	964.28	465.95	16,454.86
Other financial liabilities	1.02	-	-	-	-	-	1.02
Provision for major Maintenance					462.77		462.77
Provision for employee benefits	0.89				5.05	14.61	20.53
Other provisions	-	-	-	-	-	-	-
Deferred tax liabilities (net)	-	-	214.35	133.25	2,696.76	2,046.68	5,091.04
Other non-current liabilities					34.58		34.58
Total non-current liabilities	**7,940.80**	**2,384.11**	**3,096.92**	**1,952.31**	**4,163.42**	**2,527.24**	**22,064.80**
Current liabilities							
Financial liabilities							
Borrowings	274.73	166.95	212.83	121.81	245.34	116.50	1,138.16
Trade payables							
Due to micro and small enterprises	4.40	-	-	-	4.21	4.21	12.82
Due to others	313.80	7.36	-	-	52.66	138.04	511.86
Other financial liabilities		27.11	300.48	349.65	85.78	52.38	815.40
Other current liabilities	110.08	0.16	0.27	0.02	10.17	11.80	132.50
Provision for major Maintenance	1,008.01				100.55	890.88	1,999.44
Provision for employee benefits	0.30				0.12	3.97	4.39
Other provisions	6.31	-	-	-	-	9.49	15.80
Total current liabilities	**1,717.63**	**201.58**	**513.58**	**471.48**	**498.83**	**1,227.27**	**4,630.37**
Total liabilities	**9,658.43**	**2,585.69**	**3,610.50**	**2,423.79**	**4,662.25**	**3,754.51**	**26,695.17**
Net assets acquired	**216.50**	**844.46**	**1,511.49**	**757.83**	**12,868.19**	**17,644.17**	**33,842.62**

c) Calculations of Goodwill/(Capital Reserve):-

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Purchase consideration	196.05	844.31	1,511.23	757.69	5,656.37	20,742.80	29,708.45
Transaction related cost	-	0.15	0.26	0.14	0.85	3.10	4.50
Total Purchase Consideration	**196.05**	**844.46**	**1,511.49**	**757.83**	**5,657.22**	**20,745.90**	**29,712.94**
Non-Controlling interest based on their proportionate interest in the recognised amounts of the assets and liabilities	-	-	-	-	5,559.44	-	5,559.44
Fair Value of net assets acquired	**216.50**	**844.46**	**1,511.49**	**757.83**	**12,868.19**	**17,644.17**	**33,842.63**
Total	**(20.45)**	**-**	**-**	**-**	**(1,651.54)**	**3,101.73**	**1,429.74**

Disclosed in financial statements as :	Amount
Goodwill (refer note 4A)	3,101.73
Capital reserve (refer note 17)	(1,671.99)
Net	**1,429.74**

The above numbers have been calculated using the Project SPVs Special Purpose financial statement for the period 01 April 2023 to 02 November 2023 for UTPL, 01 April 2023 to 21 November 2023 for GSHPL,ANHPL,RAHPL and 01 April 2023 to 24 January 2024 for GRICL and STPL.

Revenue and loss after tax from the date of acquisition till 31 March 2024

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Revenue	4,908.85	122.22	228.00	182.83	716.46	747.93	6,906.29
(Loss)/Profit after tax	(1,281.52)	(133.19)	36.79	(6.70)	172.10	453.08	(759.44)

Revenue and Profit after tax from the date of beginning of financial year i.e., 01 April 2023 till 31 March 2024 considering acquisitions had occurred on 01 April 2023 of group)

Particulars	Total
Revenue	22,497.95
Loss after tax	1,067.60





53 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Group is engaged in the business of construction, operation and maintenance of Toll road projects on a Toll Operate Transfer (TOT) basis. Considering the nature of Company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard 108 'Segment Reporting'. The Chief Operational Decision Maker monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.. The Group is operating in India which is considered as a single geographical segment.

54 Micro Enterprises and Small Enterprises related disclosure (refer note 24)

Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

Particulars	As at 31 March 2025	As at 31 March 2024 (Refer note 52(a)(ii))
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	126.84	54.83
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
- Principal	-	-
- Interest	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management of the group.

55 Project manager and Investment manager fees

(i) Project management fees

Pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022 and appointed as Project Manager w.e.f 14 November 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis or on such other shorter basis as may be mutually agreed, to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note
Project manager fees	271.43	171.05

(ii) Investment management fees

Pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concessions One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs") in the proportion of 20:80 amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Refer note
Investment manager fees	340.96	367.20

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

(This space has been intentionally left blank)

56 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.

57 **Distribution Related to FY 2023-2024:**

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 millions, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 February 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2500 (rounded off) per unit amounting to ₹ 4,907.45 millions in their meeting held on 16 May 2025.

Further, the yield per unit for the financial year ended 31 March 2025 stands at 13.12% (31 March 2024: 19.41%) which have been calculated as (Total distribution per unit for the financial year ended 31 March 2025/NAV per unit as disclosed in the consolidated financial statement as at 31 March 2025.

57 **Reduction of equity share capital of subsidiaries:**

The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2024 from Registrar of Company ("ROC"). Necessary impacts will be considered in the audited consolidated financial statement of the Trust for the year ended 31 March 2025.

During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Narnaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024. In case of RAHPL received final order for appeoving the capital reduction scheme on 18 Febuary 2025. Necessary impacts have been considered in the audited consolidated financial statement of the Trust for the year ended 31 March 2025.

58 During the year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approving the capital reduction scheme in STPL on 21 November 2024. Necessary impacts have been considered in the audited consolidated financial statement of the Trust for the year ended 31 March 2025.

59 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:

(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principal approval for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle and final approval from NHAI:

Name of entity	Date of In-principle approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

60 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

61 **Scheme of arrangement by subsidiary company:**
During the year ended 31 March 2025, BETPL filled a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the petitions, which is admitted by the NCLT on 04 March 2025, and no objections was raised during the hearing proceeding. Management is currently awaiting next hearing date for order announcement.

62 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.
Further, during the year ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

63 **Preferential allotment of units by the Trust:**
During the year ended 31 March 2025, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount up to approximate ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein refered as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.
Further during the year ended 31 March 2025, Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount up to approximate ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.

64 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:
(i) Availing additional fund-based credit facilities up to ₹ 36,000.00 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
(ii) Availing additional fund-based credit facilities up to ₹ 49,500.00 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.
During the year ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500.00 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

65 During the year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI InvIT Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.
Further, during the year ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

66 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and Further appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.



(This space has been intentionally left blank)



67 During the year ended 31 March 2025, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:

(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and

(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

68 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 16 May 2025

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN:07641366

Abhishek Chhajer
Chief Financial Officer

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
M No.: ACS 22941

Place: Mumbai
Date: 16 May 2025

Place: Mumbai
Date: 16 May 2025

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report on Standalone Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024

To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)

Opinion

1. We have audited the accompanying standalone financial results of Highways Infrastructure Trust ('the Trust') for the half year and year ended 31 March 2025 which comprise the Standalone Statement of Profit and Loss (including Other Comprehensive Income), explanatory notes thereto and additional disclosures as required in Chapter 4 including paragraphs 4.18 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 ('the SEBI Master Circular') (hereinafter referred to as 'the statement'), attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) (hereinafter referred to as 'the SEBI Regulations'), read with the SEBI Master Circular.

2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) presents financial results in accordance with the requirements of Regulation 23 of the SEBI Regulations read with the SEBI Master Circulars in this regard; and

   (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ('Ind AS') and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Trust, for the half year and year ended 31 March 2025.



Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Board of Directors of the Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Trust in accordance with the requirements of SEBI Regulations read with the SEBI Master Circulars, including Ind AS, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors of the Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

6. The Board of Directors of the Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

8. As part of an audit in accordance with the Standards on Auditing issued by the ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance of Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance Investment Manager of the Trust with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The Statement includes the standalone financial results for the half year ended 31 March 2025, being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date standalone figures up to the first half of the current financial year, which were subject to limited review by us.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



Manish Agrawal
Partner
Membership No. 507000

UDIN: 25507000BMMKPU4927

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Audited Standalone Financial Results of the Trust for the half year and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	Half Year ended			Year Ended	
	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Income and gains					
Revenue from operations					
Dividend income from subsidiaries	2,000.04	7,697.16	949.47	9,697.20	1,576.22
Interest income on loans from subsidiaries	4,587.04	2,713.44	2,111.20	7,300.48	3,487.69
Other income					
Interest on fixed deposits	35.63	41.75	118.58	77.38	151.53
Profit on sale of investments	40.65	72.06	4.87	112.71	5.90
Others	59.17	3.20	0.14	62.37	2.56
Total income and gains	**6,722.53**	**10,527.61**	**3,184.26**	**17,250.14**	**5,223.90**
Expenses and losses					
Finance costs					
Interest on term loan and non convertible debentures and others	1,580.36	1,505.32	1,141.96	3,085.68	1,725.43
Finance and bank charges	1.09	0.67	0.70	1.76	1.22
Valuation expenses	1.22	1.48	2.69	2.70	3.12
Audit fees	13.40	13.16	14.75	26.56	25.21
Insurance expense	4.73	4.75	1.82	9.48	1.82
Investment manager fees (refer note b)	36.60	33.83	41.92	70.43	74.64
Trustee fees	1.56	1.53	2.88	3.09	3.81
Rating fees	7.05	8.78	14.52	15.83	18.97
Legal and professional	75.34	28.87	207.89	104.21	368.54
Other expenses	16.35	9.47	9.04	25.82	19.75
Total expenses and lossees	**1,737.70**	**1,607.86**	**1,438.17**	**3,345.56**	**2,242.51**
Profit before exceptional items and tax for the period/year	**4,984.83**	**8,919.75**	**1,746.09**	**13,904.58**	**2,981.39**
Exceptional items (refer note 5)	(188.27)	(4,696.81)	(3,546.88)	(4,885.08)	(4,964.79)
Profit/(loss) before tax for the period/year	**4,796.56**	**4,222.94**	**(1,800.79)**	**9,019.50**	**(1,983.40)**
Tax expense:					
Current tax (including earlier year)	4.52	32.88	53.25	37.40	67.49
Deferred tax	0.56	-	-	0.56	-
Total tax expense	**5.08**	**32.88**	**53.25**	**37.96**	**67.49**
Profit/(loss) after tax for the period/year	**4,791.48**	**4,190.06**	**(1,854.04)**	**8,981.54**	**(2,050.89)**
Other comprehensive income for the period / year	-	-	-	-	-
Total comprehensive income/(loss) for the period/year	**4,791.48**	**4,190.06**	**(1,854.04)**	**8,981.54**	**(2,050.89)**
Earning per unit (not annualized, except for year end)					
Basic (₹)	4.45	5.35	(3.17)	9.67	(4.10)
Diluted (₹)	4.45	5.35	(3.17)	9.67	(4.10)

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Cashflows from operating activities of the Trust (A)	**(216.51)**	**(240.44)**	**(300.53)**	**(456.95)**	**(527.61)**
Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	8,690.47	8,455.79	11,247.79	17,146.26	13,722.29
Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	86.51	103.29	76.36	189.80	110.34
Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,610.95)	(1,527.84)	(1,266.12)	(3,138.79)	(1,823.54)
Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units)	(264.13)	(167.19)	(265.16)	(431.32)	(377.66)
Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ Holding Companies, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(3.40)	112.22	189.63	108.82	(42.88)
Total adjustments at the Trust level (B)	**6,898.50**	**6,976.27**	**9,982.50**	**13,874.77**	**11,588.55**
Net distributable cash flows before amount retained by the Trust as per SEBI guidelines (C=A+B)	**6,681.99**	**6,735.83**	**9,681.97**	**13,417.82**	**11,060.94**
Amount released/(retained) by the Trust level (D)	29.14	(384.01)	55.26	(354.87)	196.58
Amount distributed to unitholders (E= C+D)	**6,711.13**	**6,351.82**	**9,737.23**	**13,062.95**	**11,257.52**

Notes:

1 Finance cost on borrowings includes interest paid on unsecured commercial papers ₹ 242.67 millions, interest paid on term loan and non convertible debentures ₹ 2,828.44 millions, processing fees related to borrowings ₹ 59.29 millions and issue expenses relating to preferential allotment of units ₹ 8.39 millions, these issue related expenses which are disclosed under other equity.

2 During the year ended 31 March 2025, proceeds from right issue of units by the Trust to the extent of ₹ 97.86 millions were used for repayment of external debt. Such utilisation is in the nature of refinancing from funds raised through issuance of units and ₹ 994.70 millions received as repayment of unsecured loan from the SPV (outside the NDCF) which was given for Major maintenance related work and has been excluded in above computation of NDCF, thus the repayment of external debt is represented as ₹ 431.32 millions which is ₹ 1,523.88 millions less ₹ 97.86 millions, and less ₹ 994.70 millions.

3 For the calculation of debt repayment at the Trust level, Trust has not considered the repayment of commercial papers amounting to ₹ 5,500.00 millions which got refinanced through issue of unsecured commercial papers (refer note 13) for an amount of ₹ 5,257.33 millions.

4 During the current year ended 31 March 2025, the Trust has release fund from Debt Service Reserve Account ("DSRA") ₹ 112.22 millions, and the same has been reflected in reserve.
Additionally, the Trust has created DSRA of ₹ 312.10 millions, out of which ₹ 308.71 millions was funded thorugh debt thus not considered in NDCF calculation

5 The distribution has been computed for the year ended 31 March 2025, it includes the opening cash and bank balances available for distribution and does not included any amount from the loans raised by the Trust/Company during the period.

SIGNED FOR IDENTIFICATION PURPOSE ONLY

6 In NBPL, distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

7 In UTPL, distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till ended 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 53.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

8 In RAHPL, the distribution till December 2024, was ₹ 587.00 millions against the NDCF till 31 December 2024 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

9 Distribution upto nine month ended 31 December 2024 was in compliance with SEBI regulatsons maintaining minimum 90% distribution of NDCF.However there was no annuity receipt during quarter ended 31 March 2025 and major maintenance expenses are largely inurred in quarter ended 31 March 2025 (refer note no 3, note no 4 and note no 5 above), the NDCF for quarter ended 31 March 2025 turned negative and impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹67.83 millions, which will be held at the Trust level and will not be distributed to unitholders.

10 As per SEBI regulation, the Trust has to distribute minimum 90% of NDCF to its unitholders. Accordingly, the Trust has retained ₹ 354.87 millions from NDCF to meet 90% threshold. Out of this retained amount ₹ 91.10 millions used for on-lending to SPV's as temporary cash support which is not deductible as per the revised format of NDCF framework defined under SEBI Regulations. Thus, cash and cash equivalent available with the Trust as of 31 March, 2025 is ₹ 263.77 millions.

11 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended (SEBI Master Circular), since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

b. Investment manager fees

Pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concessions One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs") in the proportion of 20:80 amongst the SPVs, the fees would be allocated as mutually agreed with the SPVs. There are no changes during the period in the methodology for computation of fees paid to Investment Manager.

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Investment manager fees	36.60	33.83	41.92	70.43	74.64

c. Statement of earnings per unit ('EPU')

Basic EPU amounts are calculated by dividing the profit for the period/ year attributable to unit holders by the weighted average number of units outstanding during the period/year.
Diluted EPU amounts are calculated by dividing the profit/(loss) attributable to unit holders by the weighted average number of units outstanding during the period/year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Profit/(loss) for the period /year (₹ millions)	4,791.48	4,190.06	(1,854.04)	8,981.54	(2,050.89)
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions).	1,076.51	782.49	584.45	929.10	499.98
Earning per unit (basic and diluted) (₹)	**4.45**	**5.35**	**(3.17)**	**9.67**	**(4.10)**

d. Contingent liabilities as at 31 March 2025 is Nil (30 September 2024 and 31 March 2024: Nil)
e. Commitments as at 31 March 2025 is Nil (30 September 2024 and 31 March 2024: Nil)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
SIGNED FOR IDENTIFICATION PURPOSE ONLY
HIGHWAYS INFRASTRUCTURE TRUST

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

I. Statement of Related Parties

1 List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

Subsidiaries
Ulundurpet Expressways Private Limited ("UEPL")
Nirmal BOT Private Limited ("NBPL")
Godhra Expressways Private Limited ("GEPL")
Dewas Bhopal Corridor Private Limited ("DBCPL")
Shillong Expressway Private Limited ("SEPL")
Jodhpur Pali Expressway Private Limited ("JPEPL")
Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f 02 November 2023
Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G Ateli Narnaul Highway Private Limited) w.e.f 22 November 2023
Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G Rewari Ateli Highway Private Limited) w.e.f 22 November 2023
Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f 22 November 2023
Gujarat Road and Infrastructure Company Limited ("GRICL") w.e.f 24 January 2024
Swarna Tollway Private Limited ("STPL") w.e.f 24 January 2024
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
North Telangana Expressway Private Limited ("NTEPL") w.e.f. 15 October 2024
Rewari Bypass Private Limited ("RBPL") (formerly known as "H.G. Rewari Bypass Private Limited") w.e.f. 20 February 2025

Holding Entity
Galaxy Investments II Pte. Ltd

Intermediate holding entities
Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity
KKR Asia Pacific Infrastructure Investors SCSp*
*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further, KKR Associates AP Infrastructure SCSp is in turn managed by its general partner KKR AP Infrastructure S.à r.l.

Fellow subsidiaries*
Highway Concessions One Private Limited ("HC1")
HC One Project Manager Private Limited
**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"
Refer note II C. (xiv) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust.

II. List of additional related parties as per Regulation 2(1)(zv) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations')

A. Parties to Highways Infrastructure Trust
Sponsor Group:
The following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the SEBI Regualtions read with the proviso to Regulation(4)(2)(d)(i) of the SEBI Regulations:
Galaxy Investments II Pte. Ltd - Sponsor of Highways Infrastructure Trust
Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l
Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)
KKR Associates AP Infrastructure II SCSp; and (w.e.f. 19 January 2024)
KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)
Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust
HC One Project Manager Private Limited- Project manager of the Trust
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above
Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

C. Directors/ General partners/Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors KMP of Galaxy Investment II Pte. Ltd

Tang Jin Rong
Madhura Narawane
Goh Ping Hao

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd

Tang Jin Rong
Goh Wei Chong

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l.

(vi) Managers of KKR AP Infrastructure S.à r.l

Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd.

Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(viii) Directors of Nebula I Investments Pte. Ltd.

Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f 05 July 2024)

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.

Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp

KKR Associates AP Infrastructure II SCSp

(xi) General Partner of KKR Associates AP Infrastructure II SCSp

KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l.

Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(xiii) Directors of Axis Trustee Services Limited

Mr. Rahul Ranjan Choudhary, CEO and Managing Director (w.e.f 06 February 2025)
Ms. Deepa Rath CEO (KMP), Managing Director (till 05 February 2025)
Mr. Sumit Bali (Non-executive Director) (w.e.f 16 January 2024 to 16 August 2024)
Mr. Prashant Joshi (Non-executive Director) (w.e.f 16 January 2024)
Mr. Parmod Kumar Nagpal, Director (w.e.f 03 May 2024)
Mr. Arun Mehta, Director (w.e.f 03 May 2024)
Mr. Rajesh Kumar Dahiya (Director) (till 15 January 2024)
Mr. Ganesh Sankaran (Director) (till 15 January 2024)

(xiv) Directors and KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrik Shah, Non-executive Director
Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024)
Dr. Zafar Khan, Director (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024 to 07 August 2024) and Additional Executive Director and Joint CEO (w.e.f 08 August 2024)
Ms. Sudha Krishnan, Independent Director
Mr. Neeraj Sanghi, CEO (KMP) and Whole time Director (till 31 March 2024)
Mr. Rajesh Kumar Pandey, Independent Director (w.e.f. 16 May 2024)
Ms. Ami Vinoo Momaya , Non-executive Director
Mr. Subramanian Janakiraman , Independent Director
Mr. Manish Agarwal, Independent Director
Mr. Narayanan Doraiswamy, Chief Financial Officer (till 31 December 2023)
Mr. Abhishek Chhajer, Chief Financial Officer (w.e.f. 01 January 2024)
Mr. Steffano Ghezzi, Nominee Director (w.e.f 16 May 2024 to 14 November 2024)
Mr. Bruce Ross Crane, Nominee Director (w.e.f 13 December 2024 to 23 February 2025)
Mr. Michael Nachary, Nominee Director (w.e.f 24 February 2025)
Mr. Soma Sankara Prasad, Independent Director (w.e.f 08 August 2024)
Ms. Kunjal Shah, Company Secretary and Compliance Officer (till 08 August 2024)
Ms. Meghana Singh, Compliance Officer (w.e.f 09 August 2024 to 07 November 2024)
Mr. Gajendra Mewara, Company Secretary and Compliance Officer (w.e.f. 08 November 2024)

(xv) Directors of HC One Project Manager Private Limited

Dr. Zafar Khan, Director
Mr. Abhishek Chhajer, Director (w.e.f 01 April 2024)
Mr. Neeraj Sanghi, Director (till 31 March 2024)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Galaxy Investment II Pte. Ltd.					
Transaction during the period/year					
Issue of unit capital	0.00	3,982.34	-	3,982.34	-
Distribution to unit-holders^	1,815.04	5,510.43	1,693.92	7,325.47	3,315.00
Balance outstanding at the end of the period/year					
Unit capital	41,372.34	41,372.34	37,390.00	41,372.34	37,390.00
Nebula Asia Holdings II Pte. Ltd.					
Transaction during the period/year					
Issue of unit capital	37,560.00	-	14,900.00	37,560.00	14,900.00
Distribution to unit-holders^	1,353.87	2,554.29	660.64	3,908.16	660.64
Balance outstanding at the end of the period/year					
Unit capital	52,460.00	14,900.00	14,900.00	52,460.00	14,900.00
2452991 Ontario Limited					
Transaction during the period/year					
Issue of unit capital	16,958.47	-	-	16,958.47	-
Distribution to unit-holders^	450.92	-	-	450.92	-
Balance outstanding at the end of the period/year					
Unit capital	30,483.47	-	-	30,483.47	-
Highway Concessions One Private Limited					
Transaction during the period/year					
Reimbursement of expenses	-	0.26	-	0.26	5.49
Investment manager fees	36.60	33.83	41.92	70.43	74.64
Balance outstanding at the end of the period/year					
Investment manager fees payable	4.10	17.17	24.71	4.10	24.71
Nirmal BOT Private Limited					
Transaction during the period/year					
Loan given	-	10.00	272.79	10.00	272.79
Proceeds from redemption of optionaly convertible debentures ("OCD's") of subsidiaries	-	-	-	-	10.00
Impairment of non-current investment (Exceptional items)	-	-	-	-	11.23
Interest on loan given	59.07	66.19	66.80	125.26	134.66
Interest on CCD's and OCD's given	-	-	-	-	0.21
Refund of loan given	175.35	23.82	293.50	199.17	293.50
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries (net of impairment)	99.13	99.13	99.13	99.13	99.13
Interest receivable on rupee term loan (RTL)	28.13	56.56	3.27	28.13	3.27
Loan receivable	759.55	934.90	948.72	759.55	948.72
Dewas Bhopal Corridor Private Limited					
Transaction during the period/year					
Refund of loan given	239.00	259.00	-	498.00	-
Tax deducted at source on account of capital reduction	-	-	-	-	0.60
Interest on loan given	205.65	226.17	231.01	431.82	462.01
Distribution of dividend	540.59	291.91	693.65	832.50	1,178.37
Loss on reduction of investment in equity	-	-	-	-	-
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries (net of impairment)	12,218.15	12,218.15	12,218.15	12,218.15	12,218.15
Loan receivable	2,802.08	3,041.08	3,300.08	2,802.08	3,300.08
Interest receivable	20.72	14.04	0.00	20.72	0.00

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Ulundurpet Expressways Private Limited					
Transaction during the period/year					
Loan given	-	-	312.55	-	312.55
Refund of loan given	-	56.15	737.63	56.15	1,496.05
Recognition of loan pursuant to equity share capital reduction	1,900.00	-	-	1,900.00	-
Loss on reduction of investment in equity	4.80	-	-	4.80	-
Tax deducted at source on account of capital reduction	1.90	-	-	1.90	-
Proceeds from redemption of OCD's of subsidiaries	-	-	-	-	10.00
Interest on loan given	48.83	0.99	32.28	49.82	93.34
Interest on CCD's and OCD's	-	-	-	-	0.21
Balance outstanding at the end of the period/year					
Investment in equity instruments of subsidiaries	1,100.15	3,004.95	3,004.95	1,100.15	3,004.95
Interest receivable	-	-	0.69	-	0.69
Loan receivable	1,900.00	-	56.15	1,900.00	56.15
Godhra Expressways Private Limited					
Transaction during the period/year					
Loan given	-	-	4,500.00	-	4,500.00
Recognition of loan pursuant to equity share capital reduction	-	-	-	-	1,532.26
Refund of loan given	-	-	-	-	65.83
Proceeds from redemption of OCD's of subsidiaries	-	-	4,500.00	-	4,500.00
Tax deducted at source on account of capital reduction	-	-	-	-	1.53
Reduction in value of investment in equity pursuant to share capital reduction	-	-	-	-	1,540.70
Interest on loan given	699.53	703.39	512.11	1,402.92	847.98
Interest on CCD's and OCD's	2.26	2.27	201.94	4.53	519.21
Loss on reduction of investment in equity	-	-	-	-	8.44
Balance outstanding at the end of the period/year					
Investment in equity instruments of subsidiaries	9,626.39	9,626.39	9,626.39	9,626.39	9,626.39
Investment in OCD's of subsidiaries	32.38	32.25	32.38	32.38	32.38
Interest receivable on rupee term loan (RTL)	263.63	282.28	180.52	263.63	180.52
Interest receivable on OCD's	-	-	0.74	-	0.74
Loan receivable	10,020.83	10,020.83	10,020.83	10,020.83	10,020.83
Jodhpur Pali Expressway Private Limited					
Transaction during the period/year					
Loan given	-	-	3,059.13	-	3,059.13
Refund of loan given	103.53	-	315.84	103.53	400.76
Proceeds from redemption of OCD's of subsidiaries	-	-	2,333.70	-	2,333.83
Impairment of non-current investment (Exceptional items)	-	-	947.26	-	2,353.95
Interest on loan given	379.16	388.04	357.93	767.20	557.13
Interest on CCD's and OCD's	-	-	62.33	-	225.70
Impairment of loan given (Exceptional items)	0.00	144.49	368.85	144.49	368.85
Balance outstanding at the end of the period/year					
Interest recievable on OCD's and CCD's	-	-	0.00	-	0.00
Interest receivable on RTL	604.52	428.48	211.46	604.52	211.46
Loan receivable	4,911.31	5,014.83	5,159.33	4,911.31	5,159.33
Shillong Expressway Private Limited					
Transaction during the period/year					
Loan given	-	-	390.66	-	405.66
Refund of loan given	219.57	7.91	178.19	227.48	178.19
Distribution of dividend	100.93	-	23.70	100.93	165.73
Impairment of non-current investment (Exceptional items)	193.41	-	-	193.41	-
Redemption of preference shares	49.01	-	-	49.01	97.64
Interest on loan given	0.34	15.66	12.25	16.00	12.68

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Shillong Expressway Private Limited					
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries (net of impairment)	8.48	201.89	201.89	8.48	201.89
Investment in preference shares of subsidiaries	125.90	174.91	174.91	125.90	174.91
Loan receivable	-	219.57	227.47	-	227.47
Udupi Tollway Private Limited					
Transaction during the period/year					
Loan given	127.37	-	8,821.27	127.37	8,821.27
Refund of loan given	202.83	-	351.86	202.83	351.86
Investment in equity instruments of subsidiaries	-	-	196.05	-	196.05
Interest on loan given	585.73	594.23	443.44	1,179.96	443.44
Impairment of loan given (exceptional items)	-	49.79	-	49.79	-
Impairment of non-current investment (exceptional items)	-	196.05	-	196.05	-
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries	-	-	196.05	-	196.05
Interest receivable on RTL	1,113.05	755.56	240.28	1,113.05	240.28
Loan receivable	8,344.15	8,419.61	8,469.41	8,344.15	8,469.41
Rewari Ateli Highway Private Limited					
Transaction during the period/year					
Loan given	97.00	-	2,227.30	97.00	2,227.30
Distribution of dividend	-	109.43	190.86	109.43	190.86
Refund of loan given	231.35	126.46	147.05	357.81	147.05
Recognition of loan pursuant to equity share capital reduction	322.00	-	-	322.00	-
Tax deducted at source on account of capital reduction	0.32	-	-	0.32	-
Investment in equity instruments of subsidiaries	-	-	757.83	-	757.83
Interest on loan given	136.66	143.26	77.82	279.92	77.82
Impairment of non-current investment (exceptional items)	141.32	183.72	211.63	325.04	211.63
Reversal of impairment of non-current investment (exceptional items)	197.06	-	-	197.06	-
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries	40.48	362.48	546.20	40.48	546.20
Loan receivable	2,141.44	1,953.79	2,080.25	2,141.44	2,080.25
Interest receivable on RTL	67.40	70.70	-	67.40	-
Ateli Narnaul Highway Private Limited					
Transaction during the period/year					
Loan given	315.00	-	3,397.14	315.00	3,397.14
Loan given (on account of equity share capital reduction)	0.00	892.00	-	892.00	-
Loss on reduction of investment in equity	-	1.98	-	1.98	-
Tax deducted at source on account of capital reduction	-	0.89	-	0.89	-
Distribution of dividend	-	523.50	-	523.50	-
Refund of loan given	546.85	315.87	-	862.72	-
Impairment of non-current investment (exceptional items)	-	304.36	-	304.36	-
Investment in equity instruments of subsidiaries	-	-	1,511.49	-	1,511.49
Interest on loan given	265.54	229.10	20.15	494.64	20.15
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries (net of impairment)	313.15	313.31	1,511.49	313.15	1,511.49
Interest receivable on RTL	265.54	203.99	5.96	265.54	5.96
Loan receivable	3,741.41	3,973.27	3,397.14	3,741.41	3,397.14
Payable for tax deducted at source on account of capital reduction	-	0.89	-	-	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
Gurgaon Sohna Highway Private Limited					
Transaction during the period/year					
Loan given	80.00	15.00	2,566.13	95.00	2,566.13
Loan given (on account of equity share capital reduction)	0.00	423.00	-	423.00	-
Gain on reduction of investment in equity	-	11.92	-	11.92	-
Distribution of dividend	-	-	41.26	-	41.26
Refund of loan given	221.82	325.53	86.00	547.35	86.00
Investment in equity instruments of subsidiaries	-	-	844.46	-	844.46
Interest on loan given	173.37	161.29	86.25	334.66	86.25
Impairment of non-current investment (exceptional items)	0.00	124.02	133.47	124.02	133.47
Tax deducted at source on account of capital reduction	-	0.42	-	0.42	-
Balance outstanding at the end of the period/year					
Interest receivable on RTL	150.98	3.53	0.95	150.98	0.95
Loan receivable	2,450.77	2,592.60	2,480.13	2,450.77	2,480.13
Payable for tax deducted at source on account of capital reduction	-	0.42	-	-	-
Investments in equity instruments of subsidiaries (net of impairment)	175.90	175.90	710.99	175.90	710.99
Gujarat Road and Infrastructure Company Limited					
Transaction during the period/year					
Distribution of dividend	773.35	2,243.50	-	3,016.85	-
Investment in equity instruments of subsidiaries	-	-	5,657.22	-	5,657.22
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries	5,657.22	5,657.22	5,657.22	5,657.22	5,657.22
Swarna Tollway Private Limited					
Transaction during the period/year					
Loan given	-	-	1,115.35	-	1,115.35
Distribution of dividend	585.18	4,528.81	-	5,113.99	-
Investment in equity instruments of subsidiaries	-	-	20,745.90	-	20,745.90
Interest on loan given	345.39	72.17	6.88	417.56	6.88
Refund of loan given	1,148.27	289.90	-	1,438.17	-
Recognition of loan pursuant to equity share capital reduction	8,330.18	-	-	8,330.18	-
Tax deducted at source on account of capital reduction	8.33	-	-	8.33	-
Impairment of non-current investment (exceptional items)	3,617.70	3,694.38	1,885.66	7,312.08	1,885.66
Reversal Impairment of non-current investment (exceptional items)	2,399.41	-	-	2,399.41	-
Balance outstanding at the end of the period/year					
Investments in equity instruments of subsidiaries (net of impairment)	6,835.70	15,165.87	18,860.24	6,835.70	18,860.24
Loan receivable	8,007.36	825.45	1,115.34	8,007.36	1,115.34
Interest recievable on RTL	95.21	-	-	95.21	-
Bangalore Elevated Tollway Private Limited					
Transaction during the period					
Investment in equity instruments of subsidiaries	-	119.08	-	119.08	-
Loan given	-	615.80	-	615.80	-
Investment in OCD's of subsidiaries	-	3,220.29	-	3,220.29	-
Proceeds from redemption of OCD's of subsidiaries	359.31	2,478.66	-	2,837.97	-
Interest recievable on OCD's and CCD's	-	513.54	-	513.54	-
Investment in preference shares of subsidiaries	-	129.42	-	129.42	-
Interest on CCD's and OCD's	43.09	84.95	-	128.04	-
Interest on loan given	17.19	25.75	-	42.94	-
Refund of loan given	463.79	-	-	463.79	-
Balance outstanding at the end of the period					
Investment in equity instruments of subsidiaries	119.08	119.08	-	119.08	-
Loan receivable	152.01	615.80	-	152.01	-
Investment in preference shares of subsidiaries	129.42	129.42	-	129.42	-
Investment in OCD's of subsidiaries	382.32	741.63	-	382.32	-
Interest recievable on OCD's and CCD's	-	23.06	-	-	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
North Telangana Expressway Private Limited					
Transaction during the period					
Loan given	63,327.00	-	-	63,327.00	-
Investment in equity instruments of subsidiaries	3,350.10	-	-	3,350.10	-
Interest on loan given	1,617.52	-	-	1,617.52	-
Balance outstanding at the end of the period					
Investment in equity instruments of subsidiaries	3,350.10	-	-	3,350.10	-
Loan receivable	63,327.00	-	-	63,327.00	-
Interest receivable on RTL	1,191.13	-	-	1,191.13	-
Rewari Bypass Private Limited					
Transaction during the period					
Loan given	1,816.84	-	-	1,816.84	-
Investment in OCD's of subsidiaries	1.00	-	-	1.00	-
Investment in equity instruments of subsidiaries	1,422.99	-	-	1,422.99	-
Interest on loan given	7.67	-	-	7.67	-
Interest recievable on OCD's and CCD's	0.02	-	-	0.02	-
Recovary of Processing fees on RTL	7.20	-	-	7.20	-
Balance outstanding at the end of the period					
Investment in equity instruments of subsidiaries	1,422.99	-	-	1,422.99	-
Investment in OCD's of subsidiaries	1.00	-	-	1.00	-
Loan receivable	1,816.84	-	-	1,816.84	-
Interest receivable on RTL	7.67	-	-	7.67	-
Interest recievable on OCD's and CCD's	0.02	-	-	0.02	-
Axis Trustee Services Limited					
Transaction during the period					
Trustee fees	0.47	0.47	0.71	0.94	1.42
Initial acceptance fees	-	-	0.71	-	0.71
Axis Bank Limited					
Transaction during the period					
Rupee term loan taken	5,300.00	-	1,150.00	5,300.00	1,150.00
Processing fees	23.72	-	5.24	23.72	5.24
Repayment of rupee term loan	25.73	16.50	16.61	42.23	21.61
Interest on rupee term loan	108.71	67.55	54.21	176.26	74.07
Interest on bank deposits	-	-	44.81	-	44.81
Investment in bank deposits	-	-	9,671.53	-	9,671.53
Redemption in bank deposits	-	-	9,671.53	-	9,671.53
Balance outstanding at the end of the period					
Interest payable on loan	-	-	-	-	-
Rupee term loan payable	6,875.64	1,601.37	1,617.87	6,875.64	1,617.87
Closing balance of current account	-	-	1.35	-	1.35

Note: All related party transactions entered during the year were in ordinary course of the business and on arms length basis.

1 All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year/period ends are secured and unsecured and settlement is generally done through banking channels.

2 The above information has been determined to the extent such parties have been identified on the basis of information available with the Trust and relied upon by the auditors.

^ Pertains to the distributions made during the FY 2024-25 along with the distribution related to the last quarter of FY 2023-24 and does not include the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

(All amounts in ₹ millions unless otherwise stated)

IV. **Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder on standalone audited financial results of the Trust for the half year and year ended 31 March 2025**

For the half year ended 31 March 2025:

During the half year ended 31 March 2025, the Trust has acquired 1 Subsidiary namely RBPL however the same is not acquired from related parties, hence no disclosure is made in respect of that.

For the half year ended 30 September 2024:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for investment in equity share capital, investment in compulsorily convertible debentures ('CCD')* and compulsorily convertible preference shares ('CCPS') of BETPL during the half year ended 30 September 2024:

Particulars	Attributes
Discounting rate (WACC)	10.51%
Method of valuation	Discounted cash flows

*During the half year ended 30 September 2024, the terms of CCD were converted into optionally convertible debentures ("OCDs").

B **Material conditions or obligations in relation to the transactions:**

The acquisition have been made pursuant to the terms mentioned in a resolution of the existing unitholders approving the issue of units, in accordance with Regulation 22(5) of the SEBI Regulations passed on 11 June 2024 and Securities Purchase Agreement dated 30 August 2023 ("SPA") executed amongst the Galaxy Investments II Pte. Ltd ("Sponsor") and the Trust, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Sponsor transferred 100% of equity shares capital, CCD, and CCPS of BETPL to the Trust and price is discharged by the Trust by issuing 46,686,295 units at Net asset value ("NAV") of ₹ 85.30 per unit.

Accordingly, the Trust has acquired 21,591,279 equity shares (including of nominee), 32,202,939 CCD and 12,941,850 CCPS of BETPL from the Sponsor as on 12 June 2024.

C No external financing has been obtained for acquisition of BETPL.

D No fees or commission received or to be received from any associate party in relation to acquisition of BETPL.

For the half year ended 31 March 2024:

During the half year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder on standalone unaudited financial results of the Trust for the half year and year ended 31 March 2025

(all amounts in ₹ millions, except ratios)

(a) Ratios pursuant to 4.18.1 (b) of chapter 4 to the SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024

Sr. No.	Particulars	01 October 2024 to 31 March 2025	01 April 2024 to 30 September 2024	01 October 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
		(Refer Note 19)	*(Unaudited)*	*(Refer Note 20)*	*(Audited)*	*(Audited)*
(a)	Debt equity ratio (in times) [{Non-current borrowings + Current borrowings} / Total equity]	0.44	0.65	0.64	0.44	0.64
(b)	Debt service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / {Finance costs + Principal repayment for borrowings}]	3.91	2.31	2.05	3.68	2.24
(c)	Interest service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / Finance costs]	4.15	6.92	2.53	5.50	2.73
(d)	Net worth [Unit capital + Other equity]	1,09,651.91	54,170.05	55,818.82	1,09,651.91	55,818.82

Notes:

i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2025 amounting to ₹ 11,299.58 millions (31 March 2024: ₹ 11,340.61 millions, 30 September 2024: ₹ 11,320.17) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2025.

(ii) The Non Convertible Debenetures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:

(i) all receivables of the Issuer from the Holding companies ("HoldCos") and SPVs;

(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;

(iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;

(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and

(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future.

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future, is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the Hold Cos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively (excluding Equity shares held by the nominees of the SPVs and the Issuer, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Notes to audited standalone financial results for the half year and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

1 The audited standalone financial results of Highways Infrastructure Trust ("the Trust") for half year and year ended 31 March 2025 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ('Investment Manager') at their meeting held on 16 May 2025 and approved by the Board of Directors of the Investment Manager at their meeting held on 16 May 2025. The statutory auditors have issued an unmodified audit report on these audited standalone financial results.

2 The audited standalone financial results comprises the standalone statement of profit and loss (including Other Comprehensive Income) for the half year and year ended 31 March 2025 ('Standalone financial results'), explanatory notes and the additional disclosures as required in chapter 4 including paragraphs 4.18 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 ('the SEBI Master Circular'). The Standalone financial results have been prepared by 'the Investment Manager of the Trust' on the basis of the Standalone annual audited financial statements as at and for the year ended 31 March 2025, Standalone financial results for the half year ended 30 September 2024 and in accordance with recognition and measurement principles laid down in the Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('IndAS') and other accounting principles generally accepted in India and in compliance with the relevant requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI Regulations") including SEBI Master circular.

3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.

4 **Distribution Related to FY 2023-2024:**
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 Februray 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2500 (rounded off) per unit amounting to ₹ 4,907.45 millions in their meeting held on 16 May 2025.

5 As per Ind AS 36 "Impairment of assets", Management carried out the impairment assessment of investment in subsidiaries, and secured and unsecured loans given to SPVs and provided for impairment loss for year ended 31 March 2024: ₹ 4,885.08 millions (for the period from 01 October 2024 to 31 March 2025: ₹ 188.27 millions and for the period from 01 April 2024 to 30 September 2024: ₹ 4,696.81 millions and for the period from 01 October 2023 to 31 March 2024 : ₹ 3,546.88 millions and for the year ended 31 March 2024 : ₹ 4,964.79 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis). Also refer note 6 and 7.

6 **Reduction of equity share capital of subsidiaries:**
The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2025 from Registrar of Company ("ROC"). Necessary impacts have been considered in the audited standalone financial results of the Trust for the half year and year ended 31 March 2025.

During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Narnaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024, and RAHPL on 18 February 2025. Necessary impacts have been considered in the audited standalone financial results of the Trust for the half year and year ended 31 March 2025. The said reduction of equity share capital of RAHPL has lead to a gain of ₹ 141.32 millions which has been disclosed as an exceptional items in the audited standalone financial results of the Trust for the half year and year ended 31 March 2025.

7 During the year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approval of capital reduction scheme in STPL on 21 November 2024.
Consequent to the capital reduction approval order received from NCLT, the Trust has recognised unsecured rupee term loan and de-recognised Investment in Equity Shares of STPL. The said reduction of equity share capital has lead to a gain of ₹ 1,808.85 millions which has been disclosed as an exceptional items in the audited standalone financial results of the Trust for the half year and year ended 31 March 2025.



SIGNED FOR IDENTIFICATION PURPOSE ONLY



8 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ('BETPL'). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). During the half year ended 30 September 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.
Accordingly, necessary impacts have been considered in the audited standalone financial results for the half year and year ended 31 March 2025.

9 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 18 March 2024 from the NHAI.
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up equity share capital of RBPL on 20 Febuary 2025 ('acquisition date') for a total consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) from H.G Infra Engineering Limited, the said entity have become a subsidiary of the Trust. Accordingly, necessary impacts have been considered in the audited standalone financial results for the half year and year ended 31 March 2025.

10 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and Further appointment of Mr. Gaurav Chandra as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.

11 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL"); and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, in-principal and final approvals for change in ownership was received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of in-principle and final approval from NHAI:

Name of entity	Date of in-principle approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

12 During the half year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.

Further, during the half year ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

13 During the half year ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.

Further, during the half year ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

14 During the current year ended 31 March 2025, pursuant to the applicable provisions of the SEBI Regulations and the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:
(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

15 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

16 **Scheme of arrangement by subsidiary company:**
During the year ended 31 March 2025, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the petitions, which is admitted by the NCLT on 04 March 2025, and no objections was raised during the hearing proceeding. Management is currently awaiting next hearing date for order announcement.

17 **Preferential allotment of units by the Trust:**
During the year ended 31 March 2025:
A. The Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount of ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Master Circular'). The units were listed with National Stock Exchange Limited on 14 June 2024.

B. Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount of ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025. The same has been utilised for Investment in Equity Shares and providing secured and unsecured rupee term loan to NTEPL.

18 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:
(i) Availing additional fund-based credit facilities up to ₹ 36,000.00 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
(ii) Availing additional fund-based credit facilities up to ₹ 49,500.00 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.
During the half year ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500.00 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

WALKER CHANDIOK & CO LLP • CHARTERED ACCOUNTANTS •
SIGNED FOR IDENTIFICATION PURPOSE ONLY
HIGHWAYS INFRASTRUCTURE TRUST

19 The Statement includes the standalone financial results for the half year ended 31 March 2025, being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year, which were subject to limited review by us.

20 The Statement includes the standalone financial results for the half year ended 31 March 2024, being the balancing figures between the audited standalone figures in respect of the full previous financial year and the published unaudited year-to-date figures up to the first half of the previous financial year, which were subject to limited review by us.

21 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these standalone audited financial results.

22 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

For and on behalf of Board of Directors of
Highways Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gajendra Mewara	**Dr. Zafar Khan**	**Abhishek Chhajer**	**Gaurav Chandna**
Compliance Officer	Executive director and Joint CEO	Chief Financial Officer	Executive director and Joint CEO
Membership number: ACS 22941	DIN: 07641366		DIN: 10312924
Place: Mumbai	**Place:** Mumbai	**Place:** Mumbai	**Place:** Mumbai
Date: 16 May 2025	**Date:** 16 May 2025	**Date:** 16 May 2025	**Date:** 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') Pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024

To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)

Opinion

1. We have audited the accompanying consolidated financial results of Highways Infrastructure Trust and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group') for the half year and year ended 31 March 2025, consisting of the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), explanatory notes thereto and additional disclosures as required in Chapter 4 including paragraphs 4.18 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 ('the SEBI Master Circular') (hereinafter referred to as 'the Statement'), attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) (hereinafter referred to as 'the SEBI Regulations'), read with SEBI Master Circulars.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 12 below, the Statement:

   (i) includes the annual financial results of the entities listed in Annexure 1;

   (ii) presents financial results in accordance with the requirements of Regulation 23 of the SEBI Regulations read with the SEBI Master Circulars in this regard; and

   (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, as amended, ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group for the half year and year ended 31 March 2025.



Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Investment Manager of the Trust and has been approved by the Board of Directors of the Investment Manager of the Trust, has been prepared on the basis of the consolidated annual financial statements. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit after tax and other comprehensive income, and other financial information of the Group in accordance with the requirements of SEBI Regulations read with the SEBI Master Circulars, including Ind AS, and other accounting principles generally accepted in India. The Investment Manager of the Trust is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for maintenance of adequate accounting records, for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by Board of Directors of the Investment Manager of the Trust, as aforesaid.

5. In preparing the Statement, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

6. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



8. As part of an audit in accordance with the SAs issued by the ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place an adequate internal financial control with reference to financial statements and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;

   - Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of the Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

   - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and

   - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. We communicate with those charged with governance of the Investment Manager of the Trust, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

11. We also performed procedures in accordance with Regulation 13(2)(e) of the SEBI Regulations to the extent applicable.



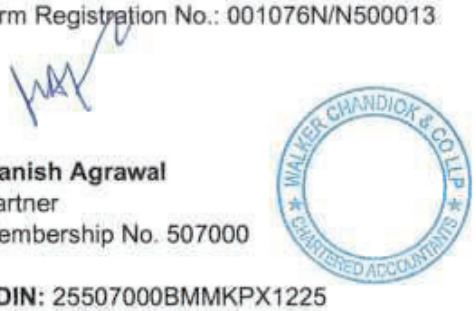
Other Matters

12. We did not audit the half year and annual financial statements of 9 subsidiaries included in the Statement, whose financial information reflects total revenues of ₹ 5,367.42 millions and ₹ 10,268.48 millions, total net profit after tax of ₹ 869.85 millions and ₹ 1,689.81 millions, and total comprehensive income of ₹ 868.01 millions and ₹ 1,686.39 millions, for the half year and year ended 31 March 2025, as considered in the Statement. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the Investment Manager of the Trust, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors.

    Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

13. The Statement includes the consolidated financial results for the half year ended 31 March 2025, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to first half of the current financial year, which were subject to limited review by us.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



Manish Agrawal
Partner
Membership No. 507000

UDIN: 25507000BMMKPX1225

Place: Mumbai
Date: 16 May 2025

Annexure 1

List of subsidiaries included in the Statement (in addition to the Trust)

1. Jodhpur Pali Expressways Private Limited ("JPEPL")
2. Godhra Expressways Private Limited ("GEPL")
3. Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)
4. Dewas Bhopal Corridor Private Limited ("DBCPL")
5. Shillong Expressways Private Limited ("SEPL")
6. Ulundurpet Expressways Private Limited ("UEPL")
7. Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited)
8. Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited)
9. Gurgaon Sohna Highway Private Limited ("GSHPL")
10. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited)
11. Swarna Tollway Private Limited ("STPL")
12. Gujarat Road and Infrastructure Company Limited ("GRICL")
13. Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
14. North Telangana Expressway Private Limited ("NTEPL") w.e.f. 14 October 2024
15. Rewari Bypass Private Limited ("RBPL") w.e.f. 20 February 2025



Highways Infrastructure Trust

Audited Consolidated Statement of Profit and Loss (including other comprehensive income) for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Income and gains					
Revenue from operations	11,316.25	9,955.25	15,480.76	21,271.50	19,991.50
Interest income from bank deposits	315.77	156.42	296.50	472.19	354.70
Profit on sale of assets/investments	207.79	244.93	182.63	452.72	255.12
Other income	537.60	255.68	105.18	793.28	118.43
Total Income and gains	**12,377.41**	**10,612.28**	**16,065.07**	**22,989.69**	**20,719.75**
Expenses and losses					
Valuation expenses	1.22	1.48	2.69	2.70	3.12
Audit fees (Statutory auditor of Trust)	13.40	13.16	14.75	26.56	25.21
Audit fees (Auditor of Subsidiaries)	8.26	4.93	4.11	13.19	6.54
Insurance expenses	46.32	42.73	30.53	89.05	52.20
Employee benefits expense	155.49	157.83	102.27	313.32	173.13
Project management fees (Refer note b (i) and (ii))	172.33	99.10	95.49	271.43	171.05
Investment manager fees (Refer note b (i) and (ii))	177.18	163.78	203.60	340.96	367.20
Management support services fee	-	1.91	4.51	1.91	9.02
Trustee fees	1.46	1.63	3.16	3.09	4.18
Depreciation on property, plant and equipment	60.66	47.34	30.89	108.00	50.52
Amortization of intangible assets	3,487.92	3,010.56	2,128.18	6,498.48	3,172.61
Finance costs	-				
- Interest on term loan, non convertible debentures and others	1,633.06	1,664.63	1,928.73	3,297.69	2,799.31
- Other finance costs	323.91	224.89	270.47	548.80	439.48
Rating fee	7.05	8.78	14.48	15.83	18.97
Operation and maintenance expenses	717.08	930.39	718.22	1,647.47	1,034.64
Corporate social responsibility	76.16	42.32	24.01	118.48	32.15
Provision for major maintenance obligation	1,007.04	1,002.37	1,029.39	2,009.41	1,461.28
Operating expenses	777.37	23.59	7,866.88	800.96	7,874.72
Independent consultancy and project monitoring fees	60.55	62.27	47.07	122.82	88.06
Legal and professional expenses	107.06	61.49	254.83	168.55	432.92
Other expenses	328.68	61.62	41.51	390.30	81.37
Total expenses and losses	**9,162.20**	**7,626.80**	**14,815.77**	**16,789.00**	**18,297.68**
Profit before exceptional items and tax for the period/year	**3,215.21**	**2,985.48**	**1,249.30**	**6,200.69**	**2,422.07**
Exceptional items (refer note 16)	-	-	(3,689.54)	-	(3,689.54)
Profit /(Loss) before tax for the period/year	**3,215.21**	**2,985.48**	**(2,440.24)**	**6,200.69**	**(1,267.47)**
Tax expense:					
Current tax	673.65	684.00	326.01	1,357.65	505.87
Deferred tax	(357.72)	(247.60)	(137.85)	(605.32)	(243.02)
Total tax expense	**315.93**	**436.40**	**188.16**	**752.33**	**262.85**
Profit /(Loss) after tax for the period/year	**2,899.28**	**2,549.08**	**(2,628.40)**	**5,448.36**	**(1,530.32)**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Re-measurement gain on defined benefit obligations	3.69	(1.50)	(0.50)	2.19	(0.65)
Income tax relating to these items	(0.67)	-	(0.40)	(0.67)	(0.40)
Total other comprehensive income/(loss) for the period/year	**3.02**	**(1.50)**	**(0.90)**	**1.52**	**(1.05)**
Total comprehensive income for the period/year	**2,902.30**	**2,547.58**	**(2,629.30)**	**5,449.88**	**(1,531.37)**
Profit / (Loss) for the period/year attributable to					
Unit holders	2,496.87	2,184.23	(2,704.19)	4,681.11	(1,606.11)
Non-controlling interests	402.41	364.85	75.79	767.25	75.79
Other comprehensive income/ (loss) for the period/year attributable to					
Unit holders	3.40	(0.85)	0.29	2.55	0.14
Non-controlling interests	(0.38)	(0.65)	(1.19)	(1.03)	(1.19)
Total comprehensive income/ (loss) for the period/year attributable to					
Unit holders	2,500.28	2,183.38	(2,703.90)	4,683.66	(1,605.97)
Non-controlling interests	402.02	364.20	74.60	766.22	74.60
Earning per unit capital (not annualized)					
Basic (₹)	2.32	2.79	(4.63)	5.04	(3.22)
Diluted (₹)	2.32	2.79	(4.63)	5.04	(3.22)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

(i) Highways Infrastructure Trust

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cashflows from operating activities of the Trust (A)**	**(216.51)**	**(240.44)**	**(300.53)**	**(456.95)**	**(527.61)**
2	Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	8,690.47	8,455.79	11,247.79	17,146.26	13,722.29
3	Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis).	86.51	103.29	76.36	189.80	110.34
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,610.95)	(1,527.84)	(1,266.12)	(3,138.79)	(1,823.54)
5	Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units).	(264.13)	(167.19)	(265.16)	(431.32)	(377.66)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations.	(3.40)	112.22	189.63	108.82	(42.88)
	Total adjustments at the Trust level (B)	**6,898.50**	**6,976.27**	**9,982.50**	**13,874.77**	**11,588.55**
	Net distributable cash flows before amount retained by Trust as per SEBI guidelines (C =A+B)	**6,681.99**	**6,735.83**	**9,681.97**	**13,417.82**	**11,060.94**
	Amount released/(retained) by the Trust (D)	29.14	(384.01)	55.26	(354.87)	196.58
	Net distributable cash flows (E)=(C+D)	**6,711.13**	**6,351.82**	**9,737.23**	**13,062.95**	**11,257.52**

Notes:

1 Finance cost on borrowings includes interest paid on unsecured commercial papers ₹ 242.67 millions, interest paid on term loan and non convertible debentures ₹ 2,828.44 millions, processing fees related to borrowings ₹ 59.29 millions and issue expenses relating to preferential allotment of units ₹ 8.39 millions, these issue related expenses which are disclosed under other equity.

2 During the year ended 31 March 2025, proceeds from right issue of units by the Trust to the extent of ₹ 97.86 millions were used for repayment of external debt. Such utilisation is in the nature of refinancing from funds raised through issuance of units and ₹ 994.70 millions received as repayment of unsecured loan from the SPV (outside the NDCF) which was given for Major maintenance related work and has been excluded in above computation of NDCF, thus the repayment of external debt is represented as ₹ 431.32 millions which is ₹ 1,523.88 millions less ₹ 97.86 millions, and less ₹ 994.70 millions.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

3 In UTPL, distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 53.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

4 In NBPL, distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

5 In RAHPL, the distribution till December 2024, was ₹ 587.00 millions against the NDCF for the period ended 31 December 2024 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions. This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

6 For the calculation of debt repayment at the Trust level, Trust has not considered the repayment of commercial papers amounting to ₹ 5,500.00 millions which got refinanced through issue of unsecured commercial papers (refer note 12) for an amount of ₹ 5,257.33 millions.

7 During the current year ended 31 March 2025, the Trust has release fund from Debt Service Reserve Account ("DSRA") ₹ 112.22 millions, and the same has been reflected in reserve.
Additionally, the Trust has created DSRA of ₹ 312.10 millions, out of which ₹ 308.71 millions was funded through debt thus not considered in NDCF calculation.

8 The distribution has been computed for the year ended 31 March 2025, it includes the opening cash and bank balances available for distribution and does not included any amount from the loans raised by the Trust/Company during the year.

9 Distribution for the period ended 31 December 2024 was in compliance with SEBI regulations maintaining minimum 90% distribution of NDCF. However there was no annuity receipt during quarter ended 31 March 2025 and major maintenance expenses are largely incurred in quarter ended 31 March 2025 (refer note 3, note 4 and note 5 above), the NDCF for quarter ended 31 March 2025 turned negative and impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹67.82 millions, which will be held at the Trust level and will not be distributed to unitholders.

10 As per SEBI regulation, the Trust has to distribute minimum 90% of NDCF to its unitholders. Accordingly, the Trust has retained ₹ 354.87 millions from NDCF to meet 90% threshold. Out of this retained amount ₹ 91.10 millions used for on-lending to SPV's as temporary cash support which is not deductible as per the revised format of NDCF framework defined under SEBI Regulations. Thus, cash and cash equivalent available with the Trust as of 31 March, 2025 is ₹ 263.77 millions.

11 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

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

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**930.18**	**846.93**	**880.88**	**1,777.11**	**1,702.18**
2	Add: Opening cash and bank balance	146.84	143.17	138.15	143.17	143.30
3	Add: Treasury income/income from investing activities	14.26	13.90	13.82	28.16	27.03
4	Less: Finance cost on Borrowings, excluding amortization of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(83.00)	(0.62)	(0.59)	(83.62)	(2.02)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations.	(153.61)	(146.84)	(142.21)	(153.61)	(142.21)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	30.38	(36.61)	(4.83)	(6.23)	(7.56)
	Total adjustments at the SPV level (B)	**(45.13)**	**(27.00)**	**4.34**	**(72.13)**	**18.54**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**885.05**	**819.93**	**885.22**	**1,704.98**	**1,720.72**
	Amount kept aside as per SEBI guideline (D)	**(3.87)**	**-**	**(0.96)**	**(3.87)**	**(0.96)**
	Net distributable cash flows (E)=(C+D)	**881.18**	**819.93**	**884.26**	**1,701.11**	**1,719.76**

Notes:

1 Amount reflected in opening cash and bank balance as on 01 April 2024 represent reserves created ₹ 142.21 millions and amount kept aside ₹ 0.96 millions as per SEBI guidelines as on 31 March 2024.

2 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financials for year ended 31 March 2023. This has been adjusted to the extent of float money at kept at Plaza, unrealised gain on mutual funds, accrued interest on fixed deposits etc. amounting to ₹ 148.37 millions pursuant to requirement of revised framework of computation of Net distributable cash flows in accordance with SEBI Master Circular.

3 Reserves created for the current period ended 31 March 2025 include amount kept in fixed deposits amounting to ₹ 151.49 millions with bank as lien for bank guarantee issued to Madhya Pradesh Road Development Corporation Limited (Concession Authority) as per Concessions agreement and unspent corporate social responsibilities (CSR) amounting to ₹ 2.12 millions.

4 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(iii) Nirmal BOT Private Limited ("NBPL")

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**168.31**	**(50.37)**	**105.52**	**117.94**	**266.01**
2	Add: Opening cash and bank balance	-	-	141.13	-	54.13
3	Add: Treasury income/income from investing activities	6.37	5.19	9.91	11.56	17.17
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(2.45)	(0.00)	(0.00)	(2.45)	(0.00)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(4.22)	(2.21)	(0.14)	(6.43)	(0.14)
	Total adjustments at the SPV level (B)	**(0.30)**	**2.98**	**150.90**	**2.68**	**71.16**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**168.01**	**(47.39)**	**256.42**	**120.62**	**337.17**
	Amount kept aside as per SEBI guideline (D)	-	-	-	-	-
	Net distributable cash flows (E)=(C+D)	**168.01**	**(47.39)**	**256.42**	**120.62**	**337.17**

Notes:

1 During the previous year ended 31 March 2024, The Company has received ₹ 245.79 millions as loan for major maintenance (MM) related work. This was provided by external lender to the Trust for MM purpose and in turn, the Trust has funded to Company for MM purpose. Under the NDCF framework adopted by the Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024), the inflows from such MM loans are not considered while the MM expenses have been reduced from cashflows from operating activities of the Company.
During the year Company has repaid ₹ 60.79 millions out of loan for MM amounting to ₹ 245.79 millions outside the NDCF, which was used by Trust to repay to its external lenders.

2 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financials for year ended 31 March 2023, out of this ₹ 10.00 millions pertaining to quarter ended 31 March 2024 was distributed in the quarter ended 30 June 2024 and the balance cash amount of was ₹ 54.13 millions as at 31 March 2024 and same is disclosed as opening cash balance and used for distribution during the current year ended 31 March 2025. This is as per point no 5(ii) of revised framework for computation of NDCF pursuant to SEBI Master Circular.

3 Distribution during the period ended 31 December 2024, was ₹ 134.22 millions against the NDCF till 31 December 2024 was ₹ 134.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 120.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for the quarter ended for 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 13.60 millions, which will be held at the Trust level and will not be distributed to unitholders.

4 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(iv) Jodhpur Pali Expressway Private Limited ("JPEPL")

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**267.29**	**194.42**	**244.62**	**461.71**	**444.57**
2	Add: Opening cash and bank balance	-	-	-	-	5.85
3	Add: Treasury income/income from investing activities	1.91	7.28	15.99	9.19	19.57
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	-	-	0.02	-	(0.59)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called), or (v). statutory, judicial, regulatory, or governmental stipulations.	-	-	(60.74)	-	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(8.54)	-	(10.10)	(8.54)	(20.74)
	Total adjustments at the SPV level (B)	**(6.63)**	**7.28**	**(54.83)**	**0.65**	**4.09**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**260.66**	**201.70**	**189.79**	**462.36**	**448.66**
	Amount kept aside as per SEBI guideline (D)	(8.88)	-	-	(8.88)	-
	Net distributable cash flows (E)=(C+D)	**251.78**	**201.70**	**189.79**	**453.48**	**448.66**

Notes:

1 During the financial year ended 31 March 2023, Company has received ₹ 350.00 millions as a loan for MM related work. During the current financial year ended 31 March 2025, Company has repaid ₹ 98.53 millions out of loan for MM amounting to ₹ 350.00 millions which is outside the NDCF, and the same was used by the Trust to repay to its external lenders.

2 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastrucrure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAY INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	869.08	727.55	765.85	1,596.63	1,427.40
2	Add: Opening cash and bank balance	-	-	15.96	-	52.43
3	Add: Treasury income/income from investing activities	4.48	7.39	13.52	11.87	14.21
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.40)	-	(0.57)	(0.40)	(0.73)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(78.56)	(70.17)	(74.78)	(148.73)	(128.13)
	Total adjustments at the SPV level (B)	(74.48)	(62.72)	(45.87)	(137.26)	(62.22)
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	794.60	664.83	719.98	1,459.37	1,365.18
	Amount kept aside as per SEBI guideline (D)	(5.91)	-	-	(5.91)	-
	Net distributable cash flows (E)=(C+D)	788.69	664.83	719.98	1,453.46	1,365.18

Notes:

1. Capital expenditure includes premium in the form of additional concession fees paid to National Highways Authority of India ('NHAI').

2. For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

3. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is ₹ 71.08 millions as per audited financials for year ended 31 March 2023, out of this ₹ 18.65 millions pertaining to quarter ended 31 March 2024 was distributed in the quarter ended 30 June 2024 and the balance cash amount of was ₹ 52.43 millions as at 31 March 2024 and same is disclosed as opening cash balance and used for distribution during the current year ended 31 March 2025. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**663.89**	**355.09**	**692.99**	**1,018.98**	**1,434.49**
2	Add: Opening cash and bank balance	-	194.41	254.12	194.41	20.26
3	Add: Treasury income/income from investing activities	20.79	35.44	15.86	56.23	27.48
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.01)	(0.01)	(0.50)	(0.02)	(0.51)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	579.77	(581.68)	(194.41)	(1.91)	(194.41)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(1.43)	(2.26)	-	(3.69)	(1.90)
	Total adjustments at the SPV level (B)	**599.11**	**(354.10)**	**75.07**	**245.01**	**(149.08)**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,263.00**	**0.99**	**768.06**	**1,263.99**	**1,285.41**
	Amount kept aside as per SEBI guideline (D)	-	-	-	-	-
	Net distributable cash flows (E)=(C+D)	**1,263.00**	**0.99**	**768.06**	**1,263.99**	**1,285.41**

Notes:

1 As per calculation of NDCF for the half year ended 30 September 2024, there should be distribution of ₹ 582.67 millions. However, due to lack of avenues for distribution such as free reserve under the Companies Act and debt from the Trust, SPV was not be able to meet requirement of minimum 90% distribution. On Account of this, cash available for distribution remain trapped and is shown as reserves of ₹ 581.68 millions above. Please note that Company the, Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") has approved the capital reduction scheme on 06 January 2025. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2024 from Registrar of Company ("ROC"). Accordingly, the SPV is making distribution for the quarter ended 31 March 2025.

2 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financials for year ended 31 March 2023. This is as per point no 5 of revised framework for computation of NDCF pursuant to SEBI Master Circular..

3 Reserves as at 31 March 2025 amounting to ₹ 1.91 millions is created for unspent CSR spends.

4 As per calculation of NDCF for the previous year, there should be distribution to extent of ₹ 1479.81 millions (before the creation of reserves of ₹ 194.41 millions). However, due to lack of avenues for distribution such as negative free reserve under The Companies Act, 2013 and lower debt from the Trust, the Company could not meet requirement of minimum 90% distribution for previous year ended 31 March 2024. Pursuant to approval of capital reduction by NCLAT in January 2025, this can be distributed. Hence, ₹ 194.41 is included as opening cash and bank balance for financial year ended 31 March 2025.

5 During the previous year, the Company has received ₹ 312.5 millions as Loan for MM (In addition to ₹ 70 millions received for MM purpose during the year ended 31 March 2023), however the same has not been applied for MM work as on year ended 31 March 2024 and year ended 31 March 2025, entire ₹ 382.5 millions is available under Cash & bank balance (including Investment). This surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to the Trust (and such repayment will not be considered to be part of NDCF).

6 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per as per the revised format of NDCF framework defined under SEBI Regulations.

SIGNED FOR IDENTIFICATION PURPOSE ONLY

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**184.14**	**151.17**	**(43.70)**	**335.31**	**76.73**
2	Add: Opening cash and bank balance	-	-	159.24	-	186.03
3	Add: Treasury income/income from investing activities	5.00	14.41	10.14	19.41	14.78
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.00)	0.00	(0.49)	-	(0.49)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(62.89)	-	-	(62.89)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	-	-	(0.11)	-	(0.19)
	Total adjustments at the SPV level (B)	**(57.89)**	**14.41**	**168.78**	**(43.48)**	**200.13**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**126.25**	**165.58**	**125.08**	**291.83**	**276.86**
	Amount kept aside as per SEBI guideline (D)	-	-	-	-	-
	Net distributable cash flows (E)=(C+D)	**126.25**	**165.58**	**125.08**	**291.83**	**276.86**

Notes:

1 During the previous year ended 31 March 2024, The Company has received ₹ 400.66 millions as loan for major maintenance (MM) related work. This was provided by External lender to the Trust for MM purpose and in turn, the Trust has funded to Company for MM purpose. Under the NDCF framework adopted by the Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024), the inflows from such MM loans are not considered while the MM expenses have been reduced from cashflows from operating activities of the Company.

2 MM expenses charged to statement of profit and loss account in the year of incurrence. cash flow from operating activities considered above as per cash flow statement is after MM expenses amounting to ₹ 359.00 millions incurred during the year ended 31 March 2024. During the year Company has repaid ₹ 219.57 millions out of loan for MM amounting to ₹ 400.66 millions outside the NDCF, which was used by the Trust to repay to its external lenders.

3 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

4 Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 is as per audited financial statement for year ended 31 March 2023. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(viii) Swarna Tollway Private Limited ("STPL") (subsidiary w.e.f. 24 January 2024)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 24 January 2024 to 31 March 2024	Year ended 31 March 2025	For the period from 24 January 2024 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,287.72**	**872.35**	**113.38**	**2,160.07**	**113.38**
2	Add: Opening cash and bank balance	-	307.23	4,281.02	307.23	4,281.02
3	Add: Treasury income/income from investing activities	30.32	142.52	95.04	172.84	95.04
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.18)	(0.00)	(20.22)	(0.18)	(20.22)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(16.66)	(0.49)	(0.67)	(17.15)	(0.67)
	Total adjustments at the SPV level (B)	**13.48**	**449.24**	**4,355.17**	**462.74**	**4,355.17**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,301.20**	**1,321.59**	**4,468.59**	**2,622.81**	**4,468.55**
	Amount kept aside as per SEBI guideline (D)	(12.96)	-	(307.23)	(12.96)	(307.23)
	Net distributable cash flows (E)=(C+D)	**1,288.24**	**1,321.59**	**4,161.32**	**2,609.85**	**4,161.32**

Notes:

1 Amount reflected in opening cash and bank balance represent the amount retained by the SPV as on 01 April 2024 of current financial year.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 25 January 2024 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 24 January 2024 is per audited interim financial information of the Company was ₹ 4,281.02 millions (including other financial asset) excluding interest accrued on fixed deposits.

3 During the previous year ended 31 March 2024, the Company received a loan amounting to ₹ 520.00 millions for MM work, which was fully repaid during the current year ended 31 March 2025. This transaction does not form part of the NDCF as per the revised framework.

4 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

5 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(ix) Ateli Narnaul Highway Private Limited ("ANHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 22 November 2023 to 31 March 2024	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**451.39**	**465.09**	**439.88**	**916.48**	**439.88**
2	Add: Opening cash and bank balance	-	60.00	554.60	60.00	554.60
3	Add: Treasury income/income from investing activities	4.41	10.26	4.52	14.67	4.52
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.41)	(0.02)	(91.50)	(0.43)	(91.50)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	-	(1.39)	-	(1.39)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations.	-	-	(2.23)	-	(2.23)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years.	2.70	(7.52)	(0.66)	(4.82)	(0.66)
	Total adjustments at the SPV level (B)	**6.70**	**62.72**	**463.34**	**69.42**	**463.34**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**458.09**	**527.81**	**903.22**	**985.90**	**903.22**
	Amount kept aside as per SEBI guideline (D)	(45.81)	(52.78)	(57.77)	(98.59)	(57.77)
	Net distributable cash flows (E)=(C+D)	**412.28**	**475.03**	**845.45**	**887.31**	**845.45**

Notes:

1 Amount reflected in opening cash and bank balance for the half year and year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 57.77 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 2.23 millions. During the half year and year ended 31 March 2025, the same has been utilised by the SPV against actual CSR expenditure.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 554.60 millions.

3 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per as per the revised format of NDCF framework defined under SEBI Regulations.

4 Reserves amounting to ₹ 2.23 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

5 As per revised NDCF framework, minimum upto 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the revised format of NDCF framework defined under SEBI Regulations.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(x) Rewari Ateli Highway Private Limited ("RAHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 22 November 2023 to 31 March 2024	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**263.74**	**276.89**	**212.08**	**540.63**	**212.08**
2	Add: Opening cash and bank balance	-	46.01	336.68	46.01	336.68
3	Add: Treasury income/income from investing activities	6.87	3.62	9.08	10.49	9.08
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.15)	-	(33.21)	(0.15)	(33.21)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	-	(59.96)	-	(59.96)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	-	(0.71)	-	(0.71)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(3.59)	(6.87)	(0.16)	(10.46)	(0.16)
	Total adjustments at the SPV level (B)	**3.13**	**42.76**	**251.72**	**45.89**	**251.72**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**266.87**	**319.65**	**463.80**	**586.52**	**463.80**
	Amount kept aside as per SEBI guideline (D)	13.96	(13.96)	(45.30)	-	(45.30)
	Net distributable cash flows (E)=(C+D)	**280.83**	**305.69**	**418.50**	**586.52**	**418.50**

Notes:

1 Amount reflected in opening cash and bank balance for the half year and year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 45.30 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 0.71 millions. During the half year and year ended 31 March 2025, the same has been utilised by the SPV against actual CSR expenditure.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 336.68 millions.

3 Reserves amounting to ₹ 0.71 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

5 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

SIGNED FOR IDENTIFICATION PURPOSE ONLY

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

6 The distribution till December 2024, was ₹ 587.00 millions against the NDCF for the period ended 31 December 2024 was ₹ 587.00 millions. Whereas NDCF for the year ended 31 March 2025 is ₹ 586.62 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations, mandating a minimum 90% distribution of NDCF. However, as there was no annuity receipt during the quarter ended for 31 March 2025 and the SPV incurred expenses exceeding the 10% retention from NDCF, the NDCF for quarter ended 31 March 2025 turned negative, impacting the overall NDCF for the year ended 31 March 2025. Consequently, there is an excess distribution of ₹ 0.46 millions, which will be held at the Trust level and will not be distributed to unitholders.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xi) Gurgaon Sohna Highway Private Limited ("GSHPL") (subsidiary w.e.f. 22 November 2023)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 22 November 2023 to 31 March 2024	Year ended 31 March 2025	For the period from 22 November 2023 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**312.05**	**275.48**	**279.79**	**587.53**	**279.79**
2	Add: Opening cash and bank balance	-	58.48	342.20	58.48	342.20
3	Add: Treasury income/income from investing activities	6.15	9.80	2.12	15.95	2.12
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account and any shareholder debt/loan from Trust	(0.38)	-	(41.27)	(0.38)	(41.27)
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	-	(1.93)	-	(1.93)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(11.01)	(6.97)	(0.32)	(17.98)	(0.32)
	Total adjustments at the SPV level (B)	**(5.24)**	**61.31**	**300.80**	**56.07**	**300.80**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**306.81**	**336.79**	**580.59**	**643.60**	**580.59**
	Amount kept aside as per SEBI guideline (D)	**(30.68)**	**(33.68)**	**(56.55)**	**(64.36)**	**(56.55)**
	Net distributable cash flows (E)=(C+D)	**276.13**	**303.11**	**524.04**	**579.24**	**524.04**

Notes:

1 Amount reflected in opening cash and bank balance for the half year and year ended 31 March 2025 represents the amount retained by SPV amounting to ₹ 56.55 millions as per SEBI guidelines and reserves created for unspent CSR for the previous year amounting to ₹ 1.93 millions. During the half year and year ended 31 March 2025, the same has been utilised by the SPV against actual CSR expenditure.

2 Amount reflected in opening cash and bank balance (including investment) of the Company during the previous period from 22 November 2023 to 31 March 24. This is as per point no 5 of as per the revised format of NDCF framework defined under SEBI Regulations. Opening cash and bank balance (including investment) as on 21 November 2022 is per audited interim financial information of the Company was ₹ 342.20 millions.

3 Reserves amounting to ₹ 1.93 millions for year ended 31 March 2024, includes unspent CSR amount balance which have subsequently deposited in a separate account as per Companies Act, 2013. The said unspent amount have been utilised during the year ended 31 March 2025, as disclosed in note 1 above.

4 As per revised NDCF framework, minimum upto 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

5 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FO
IDENTIFICAT
PURPOSE ONL

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xii) Gujarat Road And Infrastructure Company Limited ("GRICL") (subsidiary w.e.f. 24 January 2024)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 24 January 2024 to 31 March 2024	Year ended 31 March 2025	For the period from 24 January 2024 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,551.29**	**1,080.07**	**627.60**	**2,631.36**	**627.60**
2	Add: Opening cash and cash balance	266.95	-	4,233.20	266.95	4,233.20
3	Add: Treasury income/income from investing activities	44.62	203.92	10.25	248.54	10.25
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(48.30)	(53.18)	(28.86)	(101.48)	(28.86)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(125.00)	(125.00)	(125.00)	(250.00)	(125.00)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(195.85)	8.97	(409.93)	(186.88)	(409.93)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(17.95)	(10.99)	(23.26)	(28.94)	(23.26)
	Total adjustments at the SPV level (B)	**(75.53)**	**23.72**	**3,656.40**	**(51.81)**	**3,656.40**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**1,475.76**	**1,103.79**	**4,284.00**	**2,579.55**	**4,284.00**
	Amount kept aside as per SEBI guidelines (D)	(325.08)	**271.85**	**(333.98)**	**(53.23)**	**(333.98)**
	Net distributable cash flows (E)=(C+D)	**1,150.68**	**831.94**	**3,950.02**	**2,526.32**	**3,950.02**
	Net distributable cash flows pertaining to Non controlling interests	**497.09**	**359.42**	**1,706.53**	**1,091.46**	**1,706.53**
	Net distributable cash flows to HIT	**653.59**	**472.52**	**2,243.49**	**1,434.86**	**2,243.49**

Notes:

1 Treasury Income for the financial year ended 31 March 2025, includes realised gain on redemption of investments in mutual funds amounting to ₹ 74.83 millions which is calculated as gross proceeds from redemption of units amounting to ₹370.42 millions less acquisition cost of investment amounting to ₹ 295.59 millions and ₹ 173.71 millions towards interest income on fixed deposits for the period ended 31 March 2025.

2 Reserves for financial year ended 31 March 2024, include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act, 2013 which have been utilized in during the current year. This is as per revised framework for computation of NDCF. During the current period ended 31 March 2025 reserves released represents ₹ 9.93 millions which has been utilised by the SPV against actual CSR expenditure. However, reserve created amounting to ₹ 11.53 millions pertaining to unspent on CSR obligation for year ended 31 March 2025 which will be utilised in subsequent years.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

3 Pursuant to the requirement of financial covenants specified under paragraph 4 of schedule 4 of Debenture Trust Deed (DTD) dated 06 May 2016 between IDBI Trusteeship Services Limited ("Trustee") and the Company in respect of free cashflow, the management has set aside ₹ 185.28 millions as per computation method mentioned in the DTD. The reserves amounting to ₹ 186.88 millions represents fund set aside as per DTD amounting to ₹ 185.28 millions plus unspent CSR for the year ended 31 March 2025 amounting to ₹ 11.53 millions adjusted with unspent CSR for year ended 31 March 2024 amounting to ₹ 9.93 millions.

4 The Board of Directors of the Company in their meeting held on 30 April 2025, have recommended for payment of final dividend @ 210 % i.e. ₹ 21 per equity share of ₹ 10 each fully paid up aggregating to ₹ 1,164.71 millions for the year ended 31 March 2025 which has been approved at the annual general meeting held on 12 May 2025. The cumulative distribution for financial year ended 31 March 2025 shall be stands at ₹ 2,526.32 millions including the above mentioned final dividend (out of the NDCF of ₹ 2,579.55 millions as computed above)

5 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

6 As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is inline with the framework notified under SEBI Master Circular.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xiii) Udupi Tollway Private Limited ("UTPL") (subsidiary w.e.f. 02 November 2023)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	For the period from 02 November 2023 to 31 March 2024	Year ended 31 March 2025	For the period from 02 November 2023 to 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**123.75**	**142.13**	**182.18**	**265.88**	**182.18**
2	Add: Opening cash and bank balance	-	131.57	299.55	131.57	299.55
3	Add: Treasury income/income from investing activities	3.35	6.43	7.56	9.78	7.56
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account and any shareholder debt/loan from Trust	(0.90)	(128.62)	(213.79)	(129.52)	(213.79)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	0.50	(0.50)	-	-	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	-	(131.57)	-	(131.57)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(19.54)	(4.74)	(47.44)	(24.28)	(47.44)
	Total adjustments at the SPV level (B)	**(16.59)**	**4.14**	**(85.69)**	**(12.45)**	**(85.69)**
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**107.16**	**146.27**	**96.49**	**253.43**	**96.49**
	Amount kept aside as per SEBI guideline (D)	**1.05**	**(1.05)**	**-**	**-**	**-**
	Net distributable cash flows (E)=(C+D)	**108.21**	**145.22**	**96.49**	**253.43**	**96.49**

Notes:

1 Amount reflected in opening cash and bank balance represent the amount retained by the SPV as on 01 April 2024 of current financial year.

2 Distribution during the period ended 31 December 2024 was ₹ 307.19 millions against NDCF till ended 31 December 2024 was ₹ 307.22 millions, whereas NDCF for year ended 31 March 2025 is ₹ 253.43 millions.This is with upto 10% of the NDCF, retained for business requirements and major maintenance works, in compliance with SEBI regulations mandating a minimum 90% distribution of NDCF. However, major maintenance expenses was largely incurred in quarter ended for 31 March 2025, which resulted into negative NDCF for the quarter ended for 31 March 2025, resultant impact on NDCF for year ended 31 March 2025. Thats the reason there is excess distribution to the extent of ₹ 53.76 millions which will be hold at the Trust level and will not be distributed to unitholders.

3 For the period ended 30 September 2024, NDCF was calculated and approved by the Board as per Revised framework specified in SEBI Master Circular, since as per the requirement of Regulation 23 of the SEBI (Infrastructure Investments Trust) Regulation 2014, half yearly financial results requires disclosures of previous half year and corresponding comparative half year of the previous financial year. Thus, the Company has computed NDCF for half year ended 31 March 2024 as per revised framework of NDCF issued by SEBI.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

4 As at 01 November 2023 (date of acquisition), outstanding amount payable pertaining MM work (payable to erstwhile shareholder) was ₹ 235.37 millions and the available unrestricted Cash and Bank balance (including investments) was ₹ 55.57 millions only. Hence, the Company borrowed from the Trust to pay-off opening creditors and the said transaction took place on 02 November 2023. The said specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework.

However, basis on SEBI guidines and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be lower by 458.54 millions. Accordingly, to ensure such reduction is reflected, ₹ 458.54 millions has been reduced from NDCF at the Trust level. The Company and the Trust meets the 90% distribution requirement under the revised calculations under the old NDCF framework, and under the new NDCF framework which is applicable w.e.f. 01 April 2024.

5 Company has received ₹ 186.7 millions as loan for MM work during the quarter ended 31 March 2024 and the same provided by external lender to the Trust for MM purpose and in turn, the Trust has funded to the Company for MM work. Prior to clarification from SEBI in 31 March 2024, any MM expense out of loan taken for such MM work purpose shall kept out of NDCF working. However, based on the new NDCF framework which was adopted by Board of Investment Manager of the Trust on 22 March 2024, we have recomputed the NDCF without adding back funding for MM expenses. Basis recomputation, it was observed that distribution by the Company to the Trust was more than such recomputed NDCF till March 2024 by ₹ 458.54 millions. Since the actual distribution to unitholders for quarter ended 31 March 2024 at the Trust level is computed using year to date basis as per new NDCF framework, actual NDCF and distribution to unitholder thereof at the Trust level already considers the impact of such excess distribution. Considering above points, ₹ 458.54 millions was hold back at the Trust level to ensure that there is no extra distribution at Trust level.
During the year Company has repaid ₹ 85.46 mn out of loan for MM amounting to ₹ 186.7 millions outside the NDCF, which was used by the Trust to repay to its external lenders.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xiv) Bangalore Elevated Tollway Private Limited ('BETPL') (subsidiary w.e.f. 13 June 2024)

S. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	For the period from 13 June 2024 to 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**746.52**	**(137.86)**	-	**608.66**	-
2	Add: Opening cash and bank balance	**65.18**	3,766.64	-	3,831.82	-
3	Add: Treasury income/income from investing activities	**14.19**	90.19	-	104.38	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.52)	(7.93)	-	(8.45)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(86.99)	(142.72)	-	(229.71)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(1.16)	(1.64)	-	(2.80)	-
	Total adjustments at the SPV level (B)	**(9.30)**	**3,704.54**	-	**3,695.24**	-
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**737.22**	**3,566.68**	-	**4,303.90**	-
	Amount kept aside as per SEBI guideline (D)	**(16.52)**	-	-	**(16.52)**	-
	Net distributable cash flows (E)=(C+D)	**720.70**	**3,566.68**	-	**4,287.38**	-

Notes:

1 Opening balance as on 13 June 2024 includes balance of cash and bank balances along with investments in mutual fund and fixed deposits amounting to ₹ 3,831.82 millions which is considered in calculation of NDCF above.

2 Reserves includes holdback on account of prolongation claim payable to erstwhile shareholders amount to ₹ 205.45 millions and interest of ₹ 22.22 millions. Unpaid amount of prolongation claim was included in opening balance.

3 Reserves as at 31 March 2025 amounting to ₹ 2.04 millions is created for unspent CSR spends.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xv) North Telangana Expressway Private Limited ('NETPL') (subsidiary w.e.f. 14 October 2024)

S. No.	Particulars	Period from 14 October 2024 to 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Period from 14 October 2024 to 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**637.28**	-	-	**637.28**	-
2	Add: Treasury income/income from investing activities	180.50	-	-	180.50	-
3	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.18)	-	-	(0.18)	-
	Total adjustments at the SPV level (B)	**180.32**	-	-	**180.32**	-
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**817.60**	-	-	**817.60**	-
	Amount kept aside as per SEBI guideline (D)	**(0.83)**	-	-	**(0.83)**	-
	Net distributable cash flows (E)=(C+D)	**816.77**	-	-	**816.77**	-

Notes:

1 During the year ended 31 March 20245, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. This was funded through equity and secured and unsecured loans Loan from the Trust. The same is not forming part of above NDCF.

2 The SPV has been incorporated on 14 October 2024, hence the opening cash and cash balance is Nil.

3 As per NDCF framework of SEBI regulation read SEBI Master Circular, any capital expenditure on existing SPV to the extent of funded by Debt from the Trust should not be adjusted while calculating NDCF. During the period Company has incurred ₹ 50.54 millions for capital expenditure which was funded through loan from the Trust, hence same has not been considered while computing NDCF.

4 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosure as required by paragraph 5 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circulars issued thereunder ("SEBI Master Circular") to the consolidated audited financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

(xvi) Rewari Bypass Private Limited ('RBPL') (subsidiary w.e.f. 20 February 2025)

S. No.	Particulars	Period from 20 February 2025 to 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Period from 20 February 2025 to 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 19)*	*(Audited)*	*(Audited)*
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**(12.51)**	-	-	**(12.51)**	-
2	Add: Opening cash and bank balance	509.50	-	-	509.50	-
3	Add: Treasury income/income from investing activities	4.43	-	-	4.43	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(47.21)	-	-	(47.21)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/HoldCos, or (iv). agreement pursuant to which the SPV/HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(2.68)	-	-	(2.68)	-
	Total adjustments at the SPV level (B)	**464.04**	-	-	**464.04**	-
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	**451.53**	-	-	**451.53**	-
	Amount kept aside as per SEBI guideline (D)	**(45.15)**	-	-	**(45.15)**	-
	Net distributable cash flows (E)=(C+D)	**406.38**	-	-	**406.38**	-

Notes:

1 Cash and bank balance (including investment in mutual funds) as on acquisition date of 20 February 2025 is ₹ 614.10 millions out of which ₹ 509.50 millions have been used as part of NDCF, remaining balance of ₹ 104.60 millions can be used for subsequent distribution. This is pursuant to point no 5 of revised framework of SEBI Master Circular.

2 Reserves as at 31 March 2025 amounting to ₹ 2.68 millions is created for unspent CSR spends.

3 As per revised NDCF framework, minimum up to 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is in-line with the framework notified under SEBI Master Circular.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

b. Project manager and Investment manager fees

(i) Project manager fees

Pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022 and appointed as Project Manager w.e.f 14 November 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis or on such other shorter basis as may be mutually agreed, to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated Financial Results of the Trust includes following amount paid toward project manager fees:

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Project manager fees	172.33	99.10	95.49	271.43	171.05

(ii) Investment manager fees

Pursuant to the Investment Management Agreement with the current Investment Manager i.e. Highway Concession One Private Limited dated 20 October 2022 as amended and appointed as Investment Manager w.e.f. 23 November 2022, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the and the Special Purpose Vehicles of the ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Consolidated Financial Results of the Trust paid toward Investment manager fees as mentioned below.

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Investment manager fees	177.18	163.78	203.60	340.96	367.20

c. Statement of earnings per unit ('EPU')

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Profit/ (Loss) for the period (₹ millions)	2,496.87	2,184.23	(2,704.19)	4,681.11	(1,606.11)
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions)	1,076.51	782.49	584.45	929.10	499.98
Earnings per unit (basic and diluted) (₹)	**2.32**	**2.79**	**(4.63)**	**5.04**	**(3.22)**

d. Statement of contingent liabilities

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	(Audited)	*(Refer note 7)*
Income tax cases in respect of the Group	431.09	368.43
Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals*	224.90	221.19
Labour welfare dues in respect of which the Group is on appeals*	46.80	47.78
Total	**702.79**	**637.40**

*The said contingent liability is covered under pass through arrangement as per assignment agreement of the Project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability will devolve on the Trust.

e. Statement of capital commitments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	(Audited)	*(Refer note 7)*
Estimated amount of contracts remaining to be executed on capital account	589.21	337.56
Total	**589.21**	**337.56**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(all amounts in ₹ millions, except ratios)

(a) Ratios pursuant to 4.18.1 (b) of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024

Sl. No.	Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
		(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
(a)	Debt equity ratio (in times) [{Non-current borrowings + Current borrowings} /Total equity]	0.65	1.67	1.60	0.65	1.31
(b)	Debt service coverage ratio (in times) [Profit before tax, finance costs, exceptional items/{Finance costs + Principal repayment for borrowings}]	1.55	0.97	1.09	1.61	1.16
(c)	Interest service coverage ratio (in times) [Profit before tax, finance costs, depreciation and amortisation expense, exceptional items/Finance costs]	4.46	4.20	2.55	4.33	2.74
d)	Net worth [Unit capital + Other equity]	75,388.66	22,197.97	25,972.53	75,388.66	25,972.53

(i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2025 amounting to ₹ 11,299.58 millions (31 March 2024: ₹ 11,340.61 millions, 30 September 2024: ₹ 11,320.17) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2025.

(ii) The Non Convertible Debenetures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:

(i) all receivables of the Issuer from the HoldCos and SPVs;

(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;

(iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;

(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and

(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer ;

c) first rankirg pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs ;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, asapplicable, the bank guarantee or fixed deposit in lieu of the DSRA ;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan; and

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities").



SIGNED FOR IDENTIFICATION PURPOSE ONLY



Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

I. Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Subsidiaries

Ulundurpet Expressways Private Limited ("UEPL")
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited")
Godhra Expressways Private Limited ("GEPL")
Dewas Bhopal Corridor Private Limited ("DBCPL")
Shillong Expressway Private Limited ("SEPL")
Jodhpur Pali Expressway Private Limited ("JPEPL")
Udupi Tollway Private Limited ("UTPL")
Ateli Narnaul Highway Private Limited ("ANHPL")
Rewari Ateli Highway Private Limited ("RAHPL")
Gurgaon Sohna Highway Private Limited ("GSHPL")
Swarna Tollway Private Limited ("STPL")
Gujarat Road And Infrastructure Company Limited ("GRICL")
Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 13 June 2024 (refer note 7)
North Telanaga Expressway Private Limited ("NTEPL") w.e.f. 14 October 2024 (refer note 14)
Rewari Bypass Private Limited ("RBPL") (formerly known as "H.G. Rewari Bypass Private Limited ("RBPL)") w.e.f. 20 Febuary 2025 (refer note 8)

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte. Ltd

Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp*
*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l.

Fellow subsidiaries*

Highway Concessions One Private Limited
HC One Project Manager Private Limited
*With whom the Group had transactions during the current or previous period

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (xiv) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust.

II. List of additional related parties as per Regulation 2(1)(zv) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI Regulations")

A. Parties to Highways Infrastructure Trust

Sponsor Group:

The following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the SEBI Regulations with the proviso to Regulation(4)(2)(d)(i) of the SEBI Regulations

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l
Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)
KKR Associates AP Infrastructure II SCSp (w.e.f. 19 January 2024)
KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)
Highway Concessions One Private Limited - Investment Manager of Trust
HC One Project Manager Private Limited - Project Manager of the Trust
Axis Trustee Services Limited ("ATSL") - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
SIGNED FOR IDENTIFICATION PURPOSE ONLY
HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

C. Directors/General Partner/Manager of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd
Tang Jin Rong
Goh Ping Hao
Madhura Narawane

(ii) Directors of Galaxy Investments Pte. Ltd
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd
Tang Jin Rong
Goh Wei Chong

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l.

(vi) Managers of KKR AP Infrastructure S.à r.l
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(viii) Directors of Nebula I Investments Pte. Ltd.
Tang Jin Rong
Madhura Narawane
Goh Ping Hao (w.e.f. 05 July 2024)

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.
Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp
KKR Associates AP Infrastructure II SCSp

(xi) General Partner of KKR Associates AP Infrastructure II SCSp
KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l.
Jason Carss (Class A)
Joanne Casey (Class A) (w.e.f. 27 November 2024)
Steven Codispoti (Class A) (till 31 December 2024)
Thomas Weber (Class B)
Nina Scheid (Class B)

(xiii) Directors of Axis Trustee Services Limited
Mr. Rahul Ranjan Choudhary, CEO and Managing Director (w.e.f 06 February 2025)
Ms. Deepa Rath CEO (KMP), Managing Director (till 05 February 2025)
Mr. Sumit Bali, Non-executive Director (w.e.f 16 January 2024 to 16 August 2024)
Mr. Prashant Joshi, Non-executive Director (w.e.f 16 January 2024)
Mr. Parmod Kumar Nagpal, Director (w.e.f 03 May 2024)
Mr. Arun Mehta, Director (w.e.f 03 May 2024)
Mr. Rajesh Kumar Dahiya, Director (till 15 January 2024)
Mr. Ganesh Sankaran, Director (till 15 January



SIGNED FOR
IDENTIFICATION
PURPOSE ONLY



(xiv) Directors/KMP of Highway Concessions One Private Limited

Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024)
Dr. Zafar Khan, (KMP), Joint CEO (w.e.f 01 April 2024 to 07 August 2024) and Executive director and Joint CEO (w.e.f 08 August 2024)
Mr. Neeraj Sanghi, CEO (KMP) and Whole time Director (till 31 March 2024)
Mr. Hardik Bhadrik Shah, Non-executive Director
Ms. Ami Vinoo Momaya, Non-executive Director
Ms. Sudha Krishnan, Independent Director
Mr. Subramanian Janakiraman, Independent Director
Mr. Manish Agarwal, Independent Director
Mr. Rajesh Kumar Pandey, Independent Director (w.e.f. 16 May 2024)
Mr. Steffano Ghezzi, Nominee Director (w.e.f 16 May 2024 to 14 November 2024)
Mr. Soma Sankara Prasad, Independent Director (w.e.f 08 August 2024)
Mr. Bruce Ross Crane, Nominee Director (w.e.f 13 December 2024)
Mr. Michael Nachaty, Nominee Director (w.e.f 24 February 2025)
Mr. Narayanan Doraiswamy, Chief Financial Officer (till 31 December 2023)
Mr. Abhishek Chhajer, Chief Financial Officer (w.e.f. 01 January 2024)
Ms. Meghana Singh, Compliance Officer (w.e.f 09 August 2024 to 07 November 2024)
Ms. Kunjal Shah, Company Secretary and Compliance Officer (till 08 August 2024)
Mr. Gajendra Mewara, Company Secretary and Compliance Officer (w.e.f. 08 November 2024)

(xv) Directors of HC One Project Manager Private Limited

Dr. Zafar Khan, Director
Mr. Abhishek Chhajer, Director (w.e.f 01 April 2024)
Mr. Neeraj Sanghi, Director (till 31 March 2024)

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Galaxy Investment II Pte Ltd.					
Transaction during the year					
Issue of unit capital	-	3,982.34	-	3,982.34	-
Interest expense on compulsorily convertible debentures ('CCD's)	-	88.93	225.42	88.93	416.63
Issuance of compulsorily convertible debentures ('CCD's)	-	-	-	-	621.01
Issuance of optionally convertible preference shares	-	-	-	-	24.42
Distribution to unit-holders^	1,815.04	5,510.43	1,693.92	7,325.47	3,315.00
Balance outstanding at the end of the year					
Unit capital	41,372.34	41,372.34	37,390.00	41,372.34	37,390.00
Compulsorily convertible debentures ('CCD's)	-	-	3,220.29	-	3,220.29
Interest payable on compulsorily convertible debentures ('CCD's)	-	-	424.61	-	424.61
Optionally convertible preference shares	-	-	129.42	-	129.42
Nebula Asia Holdings II Pte. Ltd.					
Transaction during the year					
Issue of unit capital	37,560.00	-	14,900.00	37,560.00	14,900.00
Distribution to unit-holders^	1,353.87	2,554.29	660.64	3,908.16	660.65
Balance outstanding at the end of the year					
Unit capital	52,460.00	14,900.00	14,900.00	52,460.00	14,900.00
2452991 Ontario Limited					
Transaction during the year					
Issue of unit capital	16,958.47	-	-	16,958.47	-
Distribution to unit-holders^	450.92	-	-	450.92	-
Balance outstanding at the end of the year					
Unit capital	30,483.47	-	-	30,483.47	-
Highway Concessions One Private Limited					
Transaction during the year					
Reimbursement of expenses	-	0.26	-	0.26	5.49
Investment manager fees	177.18	163.78	203.60	340.96	367.20
Balance outstanding at the end of the year					
Trade and other payables	17.56	106.54	118.84	17.56	118.84
HC One Project Manager Private Limited					
Transaction during the year					
Project manager fees	172.33	99.10	95.49	271.43	171.05
Management support service fees	-	1.91	-	1.91	9.02
Advance payment of Project Manager Fees	109.64	133.23	38.23	242.87	146.56
Transfer out obligation as per actuarial for employee benefit	-	-	0.07	-	0.07
Balance outstanding at the end of the year					
Project manager fees payable (net of advance)	8.66	-	5.89	8.66	7.95
Advance payment of Project Manager Fees	0.22	33.82	-	0.22	-

^ Pertains to the distributions made during the FY 2024-25 along with the distribution related to the last quarter of FY 2023-24 and does not include the distribution relating to the last quarter of FY 2024-25 which will be paid after 31 March 2025. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party (Cont'd)

Particulars	Half year ended 31 March 2025	Half year ended 30 September 2024	Half year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
	(Refer note 19)	*(Unaudited)*	*(Refer note 7 and 19)*	*(Audited)*	*(Refer note 7)*
Axis Trustee Services Limited					
Transaction during the year					
Trustee fees	0.47	0.47	0.71	0.94	1.42
Initial acceptance fees	-	-	0.71	-	0.71
Balance outstanding at the end of the year					
Trustee fees	-	-	-	-	-
Axis Bank Limited					
Transaction during the year					
Loan taken	5,300.00	-	1,150.00	5,300.00	1,150.00
Processing fees	23.72	-	5.43	23.72	5.43
Repayment of loan taken	25.73	16.50	2,320.54	42.23	2,325.54
Interest on loan given	108.71	67.55	73.63	176.26	93.50
Interest on bank deposits	236.90	25.71	106.57	262.61	108.41
Bank charges	0.63	0.33	12.49	0.96	12.50
Investment in bank deposits	62,978.60	12,198.68	12,346.16	75,177.28	12,527.67
Redemption of term deposits	61,191.90	14,835.94	12,062.55	76,027.84	12,333.60
Balance outstanding at the end of the year					
Loan payable	6,875.64	1,601.37	1,617.87	6,875.64	1,617.87
Interest accrued on bank deposits	56.14	25.56	88.82	56.14	88.82
Outstanding bank deposits	3,523.10	1,736.40	4,373.66	3,523.10	4,373.66
Closing balance of current account	123.88	57.88	98.35	123.88	98.35

a) All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year/period ends are secured and unsecured and settlement is generally done through banking channels.

b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Trust and relied upon by the auditors.

(this space has been intentionally left blank)



SIGNED FOR IDENTIFICATION PURPOSE ONLY



Additional disclosures as required by SEBI Master Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2025 (All amounts in ₹ millions unless otherwise stated)

IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 4.6.6 of Chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 as amended including any guidelines and circular issued thereunder are as follows:

A For the half year ended 31 March 2025:

During the half year ended 31 March 2025, the Trust has acquired 1 Subsidiary namely RBPL however the same is not acquired from related parties, hence no disclosure is made in respect of that.

B For the half year ended 30 September 2024:

Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for investment in equity share capital, investment in compulsorily convertible debentures ('CCD')* and compulsorily convertible preference shares ('CCPS') of BETPL during the half year ended 30 September 2024:

Particulars	Attributes
Discounting rate (WACC)	10.51%
Method of valuation	Discounted cash flows

*During the half year ended 30 September 2024, the terms of CCD were converted into optionally convertible debentures ("OCDs").

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in a resolution of the existing unitholders approving the issue of units, in accordance with Regulation 22(5) of the SEBI Regulations passed on 11 June 2024 and Securities Purchase Agreement dated 30 August 2023 ("SPA") executed amongst the Galaxy Investments II Pte. Ltd ("Sponsor") and the Trust, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Sponsor transferred 100% of equity shares capital, CCD, and CCPS of BETPL to the Trust and price is discharged by the Trust by issuing 46,686,295 units at Net asset value ("NAV") of ₹ 85.30 per unit.

Accordingly, the Trust has acquired 21,591,279 equity shares (including of nominee), 32,202,939 CCD and 12,941,850 CCPS of BETPL from the Sponsor as on 12 June 2024.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

For the half year ended 31 March 2024:

During the half year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Notes to Audited Consolidated Financial Results for the half year and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

1 The audited consolidated financial results of Highways Infrastructure Trust ("Trust") for half year and year ended 31 March 2025 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ("Investment Manager") at their meeting held on 16 May 2025 and approved by the Board of Directors of the Investment Manager at their meeting held on 16 May 2025. The statutory auditors have issued an unmodified audit report on the consolidated financial results.

2 The audited consolidated financial results comprises the consolidated statement of Profit and Loss (including Other Comprehensive Income) for the half year and year ended 31 March 2025 ("Consolidated Financial Results"), explanatory notes and additional disclosures as required in Chapter 4 including paragraphs 4.18 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 ('the SEBI Master Circular'). The Consolidated Financial Results has been prepared by 'the Investment Manager of the Trust' on the basis of consolidated annual audited financial statements as at and for the year ended 31 March 2025, consolidated financial results for the half year ended 30 September 2024 and in accordance with recognition and measurement principles laid down in the Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('IndAS') and other accounting principles generally accepted in India and in compliance with the relevant requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI Regulations") including SEBI Master circular.

3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.

4 **Distribution Related to FY 2023-2024:**
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 Februray 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2502 (rounded off) per unit amounting to ₹ 4,907.78 millions in their meeting held on 16 May 2025.

5 **Reduction of equity share capital of subsidiaries:**
The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2025 from Registrar of Company ("ROC"). Necessary impacts have been considered in the audited consolidated financial results of the Trust for the half year and year ended 31 March 2025.
During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Namaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024, and RAHPL on 18 Febuary 2025. Necessary impacts have been considered in the audited consolidated financial results of the Trust for the half year and year ended 31 March 2025.

6 During the year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approval of the capital reduction scheme in STPL on 21 November 2024. Necessary impacts have been considered in the audited consolidated financial results of the Trust for the half year and year ended 31 March 2025.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

7 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). Galaxy Investments Pte. II Ltd had earlier acquired 76% stake on 29 March 2023 and balance 24% stake on 24 August 2023.
During the half year ended 30 September 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.

Pursuant to Ind AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and BETPL are ultimately controlled by Galaxy Investments Pte. II Ltd both before and after the acquisition. Accordingly Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has restated comparative audited/unaudited financial information for year ended 31 March 2025 and half year ended 31 March 2024 as if the acquisition had occurred from begining of the preceeding period i.e 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024 and the difference between the purchase consideration and the value of net identifiable assets acquired has been disclosed as "Capital Reserve" amounting to ₹ 96.83 millions in other equity.

8 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited (RBPL'). Approval for change in ownership was received on 18 March 2024 from the NHAI.
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of RBPL on 20 Febuary 2025 ('acquisition date') for a cash consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) from H.G Infra Engineering Limited. As a result, RBPL has become a subsidiary of the Trust. The Management has applied the optional concentration test under Ind AS 103 "Business Combination" and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in receivable under service concession arrangements with similar risk characteristics. Accordingly, these transactions have been accounted for as an asset acquisition and necessary impacts have been considered in the audited consolidated financial results for the half year and year ended 31 March 2025.

9 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and Further appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.

10 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principle approval and final approvals for change in ownership was received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of in-principle and final approval from NHAI:

Name of entity	Date of In-principle approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

11 During the year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.
Further, during the half year ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

12 During the half year ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.

Further, during the half year ended 31 March 2025, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

13 During the year ended 31 March 2025, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:
(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

14 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

15 **Scheme of arrangement by subsidiary company:**
During the year ended 31 March 2025, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the petitions, which is admitted by the NCLT on 04 March 2025, and no objections was raised during the hearing proceeding. Management is currently awaiting next hearing date for order announcement.

16 **Exceptional items**
As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment as follow.
a) During the previous year the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations ('Ind AS 103'), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.
The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL.
Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the 31 March 2024, the recoverable amount of this goodwill was ₹ Nil. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount wass in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the previous year.

b) As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of Intangible assets (toll collection rights) and provided for an impairment loss of ₹ Nil millions during the year and six months ended 31 March 2025 (six months ended 30 September 2024: ₹ Nil millions and year and six months ended 31 March 2024: ₹ 587.81 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) respectively in respect of intangible assets of the subsidiary companies of the Trust.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

17 **Preferential allotment of units by the Trust:**

During the year ended 31 March 2025:

A. The Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount of ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Master Circular'). The units were listed with National Stock Exchange Limited on 14 June 2024.

B. Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount of ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.

18 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:

(i) Availing additional fund-based credit facilities up to ₹ 36,000.00 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and

(ii) Availing additional fund-based credit facilities up to ₹ 49,500.00 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.

During the quarter ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500.00 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

19 The Statement includes the consolidated financial results for the half year ended 31 March 2025 and 31 March 2024, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year and previous financial year respectively, which were subject to limited review by us.

20 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these consolidated financial results.

21 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

For and on behalf of Board of Directors of
Highways Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07641366

Gaurav Chandna
Executive director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
Membership number: ACS 22941

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Highways Infrastructure Trust for the year ended 31 March 2025, attached herewith, being submitted by the Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and

   (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Trust for the year ended 31 March 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.



Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Board of Directors of the Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Trust in accordance with the recognition and measurement principle laid down in Ind AS specified in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors of the Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

6. The Board of Directors of the Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

8. As part of an audit in accordance with the Standard on Auditing issued by the ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatements of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
   - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;



Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance of Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance of Investment Manager of the Trust with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The Statement includes the standalone financial results for the quarter ended 31 March 2025 being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date standalone figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



Manish Agrawal
Partner
Membership No. 507000

UDIN: 25507000BMMKPW5560

Place: Mumbai
Date: 16 May 2025

Highways Infrastructure Trust
Standalone Audited Statement of Assets and Liabilities as at 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
	(Audited)	*(Audited)*
ASSETS		
Non-current assets		
Financial assets		
Investments	41,382.62	52,665.68
Loans	1,06,999.06	35,685.92
Other financials assets	0.50	0.50
Non-current tax assets (net)	2.10	-
Other non-current assets	45.59	55.13
Total non-current assets	**1,48,429.87**	**88,407.23**
Current assets		
Financial assets		
Investments	549.05	174.91
Cash and cash equivalents	222.83	461.18
Bank balances other than cash and cash equivalents above	1,163.91	953.02
Loans	7,183.68	2,212.06
Other current assets	98.06	9.60
Total current assets	**9,217.53**	**3,810.77**
Total assets	**1,57,647.40**	**92,218.00**
EQUITY AND LIABILITIES		
EQUITY		
Unit capital	1,28,610.63	68,590.00
Other equity	(18,958.72)	(12,771.18)
Total equity	**1,09,651.91**	**55,818.82**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	40,580.80	32,460.75
Deferred tax liabilities	0.56	-
Total non-current liabilities	**40,581.36**	**32,460.75**
Current liabilities		
Financial liabilities		
Borrowings	7,279.87	3,177.65
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	1.78	3.96
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	20.08	138.41
Other financial liabilities	99.23	584.11
Other current liabilities	13.17	26.09
Current tax liabilities (net)	-	8.21
Total current liabilities	**7,414.13**	**3,938.43**
Total liabilities	**47,995.49**	**36,399.18**
Total equity and liabilities	**1,57,647.40**	**92,218.00**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Statement of standalone financial results for the quarter and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

Particulars	Quarter ended			Year ended	
	01 January 2025 to 31 March 2025	01 October 2024 to 31 December 2024	01 January 2024 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	Refer Note 19	*(Unaudited)*	*Refer Note 20*	*(Audited)*	*(Audited)*
Incomes and gains					
Revenue from operations					
Dividend income from subsidiaries	360.50	1,439.54	660.31	9,697.20	1,576.22
Interest income on loans from subsidiaries	3,211.18	1,375.86	1,205.84	7,300.48	3,487.69
Other income					
Interest on bank deposits	18.49	17.14	68.32	77.38	151.53
Profit on sale of investments	10.91	29.74	4.68	112.71	5.90
Others	1.52	57.65	0.13	62.37	2.56
Total income and gains	**3,802.60**	**2,919.93**	**1,937.28**	**17,250.14**	**5,223.90**
Expenses and losses					
Finance costs					
Interest on term loan, non convertible debentures and others	846.57	733.79	711.25	3,085.68	1,725.43
Finance and bank charges	0.46	0.63	0.34	1.76	1.22
Valuation expenses	1.22	-	1.49	2.70	3.12
Audit fees	9.94	3.46	12.90	26.56	25.21
Insurance expense	2.34	2.39	1.82	9.48	1.82
Investment manager fees	23.67	12.93	28.28	70.43	74.64
Rating fees	4.21	2.84	12.28	15.83	18.97
Trustee fees	0.79	0.77	1.27	3.09	3.81
Legal and professional	41.20	34.14	177.30	104.21	368.54
Other expenses	9.90	6.45	7.46	25.82	19.75
Total expenses and losses	**940.30**	**797.40**	**954.39**	**3,345.56**	**2,242.51**
Profit before exceptional items and tax for the period/year	**2,862.30**	**2,122.53**	**982.89**	**13,904.58**	**2,981.39**
Exceptional items (refer note 5)	(188.27)	-	(3,546.88)	(4,885.08)	(4,964.79)
Profit/(loss) before tax for the period/year	**3,050.57**	**2,122.53**	**(2,563.99)**	**9,019.50**	**(1,983.40)**
Tax expense:					
Current tax (including earlier year)	16.22	(11.70)	31.38	37.40	67.49
Deferred tax (credit)/charge	(6.11)	6.67	-	0.56	-
Total tax expense	**10.11**	**(5.03)**	**31.38**	**37.96**	**67.49**
Profit/(loss) after tax for the period/year	**3,040.46**	**2,127.56**	**(2,595.37)**	**8,981.54**	**(2,050.89)**
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the period/year	**3,040.46**	**2,127.56**	**(2,595.37)**	**8,981.54**	**(2,050.89)**
Earning per unit (not annualised, except for year end)					
Basic (₹)	2.25	2.64	(3.72)	9.67	(4.10)
Diluted (₹)	2.25	2.64	(3.72)	9.67	(4.10)

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

AY

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Audited Standalone Cash Flow Statement for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Audited)	*(Audited)*
A. Cash flows from operating activities		
Profit/(loss) before tax	**9,019.50**	**(1,983.40)**
Adjustments for:		
Gain on sale of investments in mutual funds (net)	(111.27)	(5.90)
Gain on investments measured at fair value through profit or loss	(1.44)	-
Interest on compulsory convertible debentures ("CCD's")	(61.89)	-
Interest on rupee term loan ("RTL")	(7,167.89)	(2,742.37)
Interest on optionally convertible debenture ("OCD's")	(70.70)	(745.32)
Dividend income from subsidiaries	(9,697.20)	(1,576.22)
Exceptional items	4,885.08	4,964.79
Loss on reduction of investment in equity	-	8.44
Liabilities no longer required written back	(3.84)	(2.55)
Interest income on bank deposits and others	(78.53)	(151.53)
Finance costs	3,087.44	1,726.65
Operating loss before working capital changes and other adjustments	**(200.74)**	**(507.42)**
Working capital changes and other adjustments:		
Trade payables	(116.66)	90.48
Other financial assets	-	(0.50)
Other current and non-current assets	(78.92)	(61.71)
Other current liabilities	(12.92)	9.66
Cash flow used in operating activities post working capital changes	**(409.24)**	**(469.49)**
Income tax paid (net of provision)	(47.71)	(58.12)
Net cash used in from operating activities (A)	**(456.95)**	**(527.61)**
B. Cash flows from investing activities		
Loan given to the subsidiaries	(66,404.01)	(26,677.30)
Investment in equity shares of subsidiaries	(5,259.66)	(29,134.86)
Proceeds from loan given to subsidiaries	4,957.00	3,019.22
Proceeds from redemption of OCD's of subsidiaries	2,837.58	6,853.70
Proceeds from maturity of bank deposits	-	70.51
Investment in bank deposits	(210.89)	-
Redemption of preference shares	49.01	97.64
Interest received on OCD's and CCD's	646.87	981.70
Interest received on RTL	4,003.02	2,122.75
Dividend received from subsidiaries	9,697.20	1,576.22
Interest received on bank deposits	78.53	104.43
Investment in mutual funds (net)	(292.29)	-
Gain on sale of investments (net)	111.27	5.90
Net cash used in investing activities (B)	**(49,786.37)**	**(40,980.09)**
C. Cash flows from financing activities		
Proceeds from issue of unit capital	56,038.29	27,040.00
Proceeds from borrowings	19,047.37	21,818.05
Repayment of borrowings	(7,023.88)	(377.66)
Processing fees paid	(59.29)	(158.74)
Units issue expenses	(8.39)	(51.65)
Distribution made to unitholders	(15,160.69)	(4,953.52)
Interest paid	(2,828.44)	(1,613.14)
Net cash flow from financing activities (C)	**50,004.97**	**41,703.34**
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(238.35)**	**195.64**
E Cash and cash equivalents at the beginning of the year	461.18	265.54
Cash and cash equivalents at the end of the year (D+E)	**222.83**	**461.18**
Non-cash financing and investing activities		
Settlement of a purchase consideration through the issue of units	**119.08**	-
Settlement of aseet acquired through the issue of units	**3,863.26**	-

Note:
The above audited Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

SIGNED FOR IDENTIFICATION PURPOSE ONLY

Highways Infrastructure Trust

Additional disclosures as per regulation 52(4) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on standalone audited financial results for quarter and year ended 31 March 2025

(all amounts in ₹ millions, except ratios)

Sl.No.	Particulars	Quarter ended			Year ended	
		01 January 2025 to 31 March 2025	01 October 2024 to 31 December 2024	01 January 2024 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
		Refer Note 19	*(Unaudited)*	*Refer Note 20*	*(Audited)*	*(Audited)*
(a)	Debt equity ratio (in times) [(Non-current borrowings + Current borrowings / total equity]	0.44	0.64	0.64	0.44	0.64
(b)	Debt service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / [Finance costs + Principal repayment for borrowings]]	3.77	0.62	1.84	3.68	2.24
(c)	Interest service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / Finance costs]	4.38	3.89	2.38	5.50	2.73
(d)	Outstanding redeemable preference shares	-	-	-	-	-
(e)	Capital redemption reserve/debenture redemption reserve	-	-	-	-	-
(f)	Net worth [Unit Capital + Other equity]	1,09,651.91	53,782.23	55,818.82	1,09,651.91	55,818.82
(g)	Net profit/(loss) after tax	3,040.46	2,127.56	(2,595.37)	8,981.54	(2,050.89)
(h)	Earning per unit capital [Profit/(loss) after tax/Total number of units]	2.25	2.64	(3.72)	9.67	(4.10)
(i)	Current ratio (in times) [Current assets / Current liabilities]	1.24	0.97	0.98	1.24	0.98
(j)	Long term debt to working capital (in times) [Non-current borrowings + Current borrowings/ Current assets less current liabilities (excluding current maturity of non-current borrowings)]	5.27	5.00	11.45	5.27	11.45
(k)	Bad debts to account receivable ratio (in %) [Bad debts / Average trade receivables]	-	-	-	-	-
(l)	Current liabilty ratio (in %) [Current liabilities / Total liabilities]	15.45%	8.11%	10.82%	15.45%	10.82%
(m)	Total debts to total assets ratio (in %) [(Non-current borrowings + Current borrowings) / Total assets]	30.36%	38.84%	38.65%	30.36%	38.65%
(n)	Debtors turnover ratio (in times)* [Revenue from operations/ Average Trade Receivables]	NA	NA	NA	NA	NA
(o)	Inventory turnover ratio** [Sale of products / Average inventory of finished goods and stock in trade]	NA	NA	NA	NA	NA
(p)	Operating margin (in %) [(Profit before tax, finance cost, exceptional items and other income) / Revenue from operations]	98.35%	97.76%	87.21%	99.97%	89.96%
(q)	Net profit margin (in %) [Profit/(loss) after tax / Revenue from operations]	80.61%	75.57%	-139.23%	52.84%	-40.50%

* The Trust does not have any trade receivables, therefore, debtor turnover ratio is not applicable.

** The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

Notes:

i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2025 amounting to ₹ 11,299.58 millions (31 March 2024: ₹ 11,340.61 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2025.

(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:

(i) all receivables of the Issuer from the Holding companies ("HoldCos") and SPVs;

(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;

(iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;

(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and

(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future.

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future, as clarified that, as on the date hereof, there is no immovable property owned by the Issuer;

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) First ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively (excluding Equity shares held by the nominees of the SPVs and the Issuer, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Notes to audited standalone financial results for the quarter and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

1 The audited standalone financial results of Highways Infrastructure Trust ("the Trust") for quarter and year ended 31 March 2025 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ('Investment Manager') at their meeting held on 16 May 2025 and approved by the Board of Directors of the Investment Manager at their meeting held on 16 May 2025. The statutory auditors have issued an unmodified audit report on these standalone audited financial results.

2 The audited standalone financial results comprises the standalone statement of assets and liabilities, standalone statement of profit and loss, standalone cash flow statement and other explanatory notes/disclosures pursuant to requirements of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') ('audited standalone financial results'). The audited standalone financial results has been prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('IndAS') and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations.

3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.

4 **Distribution Related to FY 2023-2024:**

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 February 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2500 (rounded off) per unit amounting to ₹ 4,907.45 millions in their meeting held on 16 May 2025.

5 As per Ind AS 36 "Impairment of assets", Management carried out the impairment assessment of investment in subsidiaries and secured and unsecured loans given to SPVs, and provided for impairment loss for year ended 31 March 2025: ₹ 4,885.08 millions (for the period from 01 January 2025 to 31 March 2025: ₹ 188.27 millions and for the period from 01 October 2024 to 31 December 2024: ₹ Nil and for the period from 01 January 2024 to 31 March 2024: ₹ ₹ 3,546.88 millions and for the year ended 31 March 2024: ₹ 4,964.79 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis). Also refer note 6 and 7.

6 **Reduction of equity share capital of subsidiaries:**

The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2025 from Registrar of Company ("ROC"). Necessary impacts have been considered in the audited standalone financial results of the Trust for the quarter and year ended 31 March 2025.

During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Narnaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024, and RAHPL on 18 February 2025. Necessary impacts have been considered in the audited standalone financial results of the Trust for the quarter and year ended 31 March 2025. The said reduction of equity share capital of RAHPL has lead to a gain of ₹ 141.32 millions which has been disclosed as an exceptional items in the audited standalone financial results of the Trust for the quarter and year ended 31 March 2025.

7 During the year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approving the capital reduction scheme in STPL on 21 November 2024.
Consequent to the capital reduction approval order received from NCLT, the Trust has recognised unsecured rupee term loan and de-recognised Investment in Equity Shares of STPL. The said reduction of equity share capital has lead to a gain of ₹ 1,808.85 millions which has been disclosed as an exceptional items in the Audited standalone financial results of the Trust for the quarter and year ended 31 March 2025.



SIGNED FOR IDENTIFICATION PURPOSE ONLY



8 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). During the half year ended 30 September 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.
Accordingly, necessary impacts have been considered in the audited standalone financial results for the quarter and year ended 31 March 2025.

9 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 18 March 2024 from the NHAI.
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up equity share capital of RBPL on 20 Febuary 2025 ('acquisition date') for a total consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) from H.G Infra Engineering Limited, the said entity have become a subsidiary of the Trust. Accordingly, necessary impacts have been considered in the audited standalone financial results for the half year and year ended 31 March 2025.

10 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.

11 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL"); and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principal approval for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle and final approval from NHAI:

Name of entity	Date of In-principle approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

HIGHWAYS INFRASTRUCTURE TRUST

SIGNED FOR IDENTIFICATION PURPOSE ONLY

Highways Infrastructure Trust

Notes to audited standalone financial results for the quarter and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

12 During the year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.

Further, during the quarter ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

13 During the quarter ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.

Further, during the quarter ended 31 December 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

14 During the quarter and nine-months period ended 31 December 2024, pursuant to the applicable provisions of the SEBI Regulations and the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:
(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

15 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

16 **Scheme of arrangement by subsidiary company:**

During the year ended 31 March 2025, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the petitions, which is admitted by the NCLT on 04 March 2025, and no objections was raised during the hearing proceeding. Management is currently awaiting next hearing date for order announcement.

17 **Preferential allotment of units by the Trust:**

During the year ended 31 March 2025:

A. The Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount of ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Master Circular'). The units were listed with National Stock Exchange Limited on 14 June 2024.

B. Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount of ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025. The same has been utilised for Investment in Equity Shares and providing secured and unsecured rupee term loan to NTEPL.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Notes to audited standalone financial results for the quarter and year ended 31 March 2025

(All amounts in ₹ millions unless otherwise stated)

18 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:
(i) Availing additional fund-based credit facilities up to ₹ 36,000.00 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
(ii) Availing additional fund-based credit facilities up to ₹ 49,500.00 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.
During the quarter ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500.00 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

19 Figures for the quarter ended 31 March 2025 represents the balancing figures between the audited figures in respect of the full financial year and published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

20 Figures for the quarter ended 31 March 2024 represents the balancing figures between the audited figures in respect of the full previous financial year and the published unaudited year-to-date figures up to the third quarter of the previous financial year, which were subject to limited review by us.

21 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these standalone unaudited financial results.

22 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

For and on behalf of Board of Directors of
Highways Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gajendra Mewara	**Dr. Zafar Khan**	**Abhishek Chhajer**	**Gaurav Chandna**
Compliance Officer	Executive director and Joint CEO	Chief Financial Officer	Executive director and Joint CEO
Membership number: ACS 22941	DIN: 07641366		DIN: 10312924
Place: Mumbai	**Place:** Mumbai	**Place:** Mumbai	**Place:** Mumbai
Date: 16 May 2025	**Date:** 16 May 2025	**Date:**16 May 2025	**Date:**16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram – 122 002
India

T +91 124 4628099
F +91 124 4628001

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Highways Infrastructure Trust and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), for the year ended 31 March 2025, attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 11 below, the Statement:

   (i) includes the annual financial results of the entities listed in Annexure 1;
   (ii) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
   (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group for the year ended 31 March 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.



Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Investment Manager of the Trust and has been approved by the Board of Directors of the Investment Manager of the Trust, has been prepared on the basis of the consolidated annual financial statements. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income, and other financial information of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. The Investment Manager of the Trust is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Board of Directors of the Investment Manager of the Trust, as aforesaid.

5. In preparing the Statement, the respective Board of Directors of the Investment Manager of the Trust and of Companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

6. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and Companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

8. As part of an audit in accordance with the SAs issued by the ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;

- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of the Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. We communicate with those charged with governance of the Investment Manager of the Trust, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. We did not audit the annual financial statements of 9 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 25,697.27 millions as at 31 March 2025, total revenues of ₹ 10,268.48 millions, total net profit after tax of ₹ 1,689.81 millions, total comprehensive income of ₹ 1,686.39 millions, and net cash inflows of ₹ 2,072.75 millions for the year ended 31 March 2025 as considered in the Statement. These annual financial statements have been audited by other auditors and whose audit reports have been furnished to us by the Investment Manager of the Trust, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit report(s) of such other auditors. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.



Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

12. The Statement includes the consolidated financial results for the quarter ended 31 March 2025, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

UDIN: 25507000BMMKPY5700

Place: Mumbai
Date: 16 May 2025

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

Annexure 1

List of entities included in the Statement (in addition to the Trust):

1. Jodhpur Pali Expressways Private Limited ("JPEPL")
2. Godhra Expressways Private Limited ("GEPL")
3. Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)
4. Dewas Bhopal Corridor Private Limited ("DBCPL")
5. Shillong Expressways Private Limited ("SEPL")
6. Ulundurpet Expressways Private Limited ("UEPL")
7. Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited)
8. Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited)
9. Gurgaon Sohna Highway Private Limited ("GSHPL")
10. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited)
11. Swarna Tollway Private Limited ("STPL")
12. Gujarat Road and Infrastructure Company Limited ("GRICL")
13. Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
14. North Telangana Expressway Private Limited ("NTEPL") w.e.f. 14 October 2024
15. Rewari Bypass Private Limited ("RBPL") w.e.f. 20 February 2025



Highways Infrastructure Trust
Consolidated Statement of Assets and Liabilities as at 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
	(Audited)	*(Refer Note 7)*
ASSETS		
Non-current assets		
Property, plant and equipment	462.77	384.12
Capital work-in-progress	2.48	50.98
Goodwill	-	-
Other intangible assets	1,19,458.14	57,948.28
Financial assets		
Others financial assets	9,060.53	8,710.62
Deferred tax assets (net)	454.12	338.00
Non-current tax assets (net)	465.11	502.08
Other non-current assets	331.38	127.26
Total non-current assets	**1,30,234.53**	**68,061.34**
Current assets		
Inventories	24.00	-
Financial assets		
Investments	1,022.45	9,178.37
Trade receivables	164.95	313.08
Cash and cash equivalents	4,521.97	1,283.62
Bank balances other than cash and cash equivalents above	2,774.10	8,259.40
Others financial assets	3,557.02	2,789.52
Other current assets	1,018.55	678.70
Total current assets	**13,083.04**	**22,502.69**
Total assets	**1,43,317.57**	**90,564.03**
EQUITY AND LIABILITIES		
EQUITY		
Unit capital	1,28,610.63	68,590.00
Other equity	(53,221.97)	(42,617.47)
Equity attributable to unit holders of the Trust	**75,388.66**	**25,972.53**
Non controlling interests	4,105.64	5,634.04
Total equity	**79,494.30**	**31,606.57**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	41,800.92	37,090.68
Other financial liabilities	1,613.88	1,587.31
Provisions	1,639.60	894.38
Deferred tax liabilities (net)	6,011.18	6,426.84
Other non-current liabilities	28.84	31.88
Total non-current liabilities	**51,094.42**	**46,031.09**
Current liabilities		
Financial liabilities		
Borrowings	7,526.36	4,168.66
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	126.84	54.83
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,376.53	3,523.46
Other financial liabilities	931.87	1,854.98
Other current liabilities	419.04	294.25
Provisions	2,341.36	3,018.87
Current tax liabilities (net)	6.85	11.32
Total current liabilities	**12,728.85**	**12,926.37**
Total liabilities	**63,823.27**	**58,957.46**
Total equity and liabilities	**1,43,317.57**	**90,564.03**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Statement of Consolidated Financial Results for the quarter and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	01 January 2025 to 31 March 2025	1 October 2024 to 31 December 2024	01 January 2024 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
	(Refer Note 19)	*(Unaudited)*	*(Refer Note 7 and 19)*	*(Audited)*	*(Refer Note 7)*
Income and gains					
Revenue from operations	6,450.54	4,865.71	12,689.74	21,271.50	19,991.50
Interest income from bank deposits	252.81	62.96	212.25	472.19	354.70
Profit on sale of assets/investments	122.40	85.38	115.66	452.72	255.12
Other income	274.26	263.34	95.81	793.28	118.43
Total income and gains	**7,100.01**	**5,277.39**	**13,113.46**	**22,989.69**	**20,719.75**
Expenses and losses					
Valuation expenses	1.22	-	1.49	2.70	3.12
Audit fees (statutory auditor of Trust)	9.94	3.47	12.90	26.56	25.21
Audit fees (auditor of subsidiaries)	6.45	1.81	2.94	13.19	6.54
Insurance expenses	21.02	25.30	19.58	89.05	52.20
Employee benefits expense	83.50	71.99	67.44	313.32	173.13
Project management fees	96.88	75.45	49.13	271.43	171.05
Investment manager fees	114.49	62.69	145.61	340.96	367.20
Management support services fee	-	-	2.25	1.91	9.02
Trustee fees	0.70	0.77	1.48	3.09	4.18
Depreciation on property, plant and equipment	30.21	30.45	20.76	108.00	50.52
Amortization of intangible assets	1,933.69	1,554.23	1,472.79	6,498.48	3,172.61
Finance costs	-		-		
- Interest on term loan, non convertible debentures and others	884.40	748.67	1,250.79	3,297.69	2,799.31
- Other finance costs	153.64	170.26	166.19	548.80	439.48
Rating fees	4.21	2.84	12.28	15.83	18.97
Operation and maintenance expenses	314.71	402.37	478.20	1,647.47	1,034.64
Corporate social responsibility	28.09	48.07	19.82	118.48	32.15
Provision for major maintenance obligation	473.44	533.60	647.53	2,009.41	1,461.28
Operating expenses	772.69	4.68	7,867.59	800.96	7,874.72
Independent consultancy and project monitoring fees	36.60	23.95	26.26	122.82	88.06
Legal and professional fees	68.88	38.18	212.75	168.55	432.92
Other expenses	303.28	25.40	18.55	390.30	81.37
Total expenses and losses	**5,338.04**	**3,824.18**	**12,496.33**	**16,789.00**	**18,297.68**
Profit before exceptional items and tax for the period/year	**1,761.97**	**1,453.21**	**617.13**	**6,200.69**	**2,422.07**
Exceptional items (refer note 16)	-	-	(3,689.54)	-	(3,689.54)
Profit /(Loss) before tax for the period/year	**1,761.97**	**1,453.21**	**(3,072.41)**	**6,200.69**	**(1,267.47)**
Tax expense:					
Current tax	360.86	312.79	195.59	1,357.65	505.87
Deferred tax	(330.75)	(26.97)	(236.45)	(605.32)	(243.02)
Total tax expense	**30.11**	**285.82**	**(40.86)**	**752.33**	**262.85**
Profit/ (Loss) after tax for the period/year	**1,731.86**	**1,167.39**	**(3,031.55)**	**5,448.36**	**(1,530.32)**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement gains/(losses) on defined benefit plans	4.44	(0.75)	(0.50)	2.19	(0.65)
Income tax related to these items	(0.67)	-	(0.40)	(0.67)	(0.40)
Total other comprehensive income/ (loss) for the period/year	**3.77**	**(0.75)**	**(0.90)**	**1.52**	**(1.05)**
Total comprehensive income/ (loss) for the period/year	**1,735.63**	**1,166.64**	**(3,032.45)**	**5,449.88**	**(1,531.37)**
Profit/(Loss) for the year attributable to					
Unit holders	1,532.40	964.44	(3,107.34)	4,681.11	(1,606.11)
Non-controlling interests	199.46	202.95	75.79	767.25	75.79
Other comprehensive income/(loss)for the year attributable to					
Unit holders	4.80	(0.43)	0.29	2.55	0.14
Non-controlling interests	(1.03)	(0.32)	(1.19)	(1.03)	(1.19)
Total comprehensive income/ (loss) for the year attributable to					
Unit holders	1,537.20	964.01	(3,107.05)	4,683.66	(1,605.97)
Non-controlling interests	198.43	202.63	74.60	766.22	74.60
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)					
Basic (₹)	1.13	1.20	(4.46)	5.04	(3.22)
Diluted (₹)	1.13	1.20	(4.46)	5.04	(3.22)



SIGNED FOR IDENTIFICATION PURPOSE ONLY



Highways Infrastructure Trust
Consolidated Statement of Cash Flows for the year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
	(Audited)	*(Refer Note 7)*
A. Cash flows from operating activities		
Profit/ (Loss) before tax for the year	**6,200.69**	**(1,267.47)**
Adjustments for:		
Depreciation on property, plant and equipment	108.00	50.52
Amortization of intangible assets	6,498.48	3,172.61
Gain on sale of property, plant and equipment (net)	(3.82)	(0.77)
Gain on sale of investments (net)	(448.90)	(198.52)
Loss/ (gain) on investments measured at fair value through profit and loss (net)	68.13	(55.83)
Excess provisions written back	(83.08)	(50.23)
Bad debts written off	0.62	1.83
Impairment of intangible assets	-	587.81
Impairment of goodwill	-	3,101.73
Interest income from bank deposits	(472.19)	(354.70)
Finance cost		-
Interest on term loan, non convertible debentures and others	3,297.69	2,799.31
Unwinding finance cost on deferred payment to National Highways Authority of India ('NHAI')	185.45	181.66
Unwinding of discount on provisions and financial liabilities carried at amortised cost	61.69	56.97
Unwinding of discount on provision for major maintenance	157.07	100.81
Finance and bank charges	136.30	85.58
Modification loss on financial liability	-	14.46
Modification loss on financial assets	186.11	-
Gain on modification of annuity	-	(41.19)
Operating profit before working capital changes and other adjustments	**15,892.24**	**8,184.58**
Working capital changes and other adjustments:		
Inventories	(24.00)	-
Trade receivables	147.51	155.61
Other financial assets	1,111.45	1,967.91
Other assets	(336.33)	114.37
Trade payables	(2,337.37)	2,668.26
Provisions	(87.14)	29.94
Other financial liabilities	(601.18)	18.48
Other liabilities	40.05	113.85
Cash flow from operating activities post working capital changes	**13,805.23**	**13,253.00**
Income tax paid (net of refund)	(1,430.82)	(779.86)
Net cash flow from operating activities (A)	**12,374.41**	**12,473.14**
B. Cash flows from investing activities		
Acquisition of subsidiaries	(1,330.72)	(29,712.94)
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(67,628.75)	(166.31)
Proceeds from disposal of property, plant and equipment	7.82	7.83
Proceeds from maturity of bank deposits	6,162.09	555.97
Redemption/(Purchase) of current investments (net)	8,536.69	(7,004.71)
Net cash used in investing activities (B)	**(54,252.87)**	**(36,320.16)**
C Cash flows from financing activities		
Proceeds from issuance of units	59,901.55	27,040.00
Proceeds from long term borrowings	19,047.37	22,439.07
Proceeds from issuance of preference share	-	24.42
Redemption of preference share	-	(244.19)
Payment of short term borrowings	(13,050.68)	(18,158.93)
Unit issue expenses	(8.39)	(51.65)
Processing fees paid	(59.29)	(139.60)
Finance costs paid	(3,667.94)	(2,318.72)
Distribution made to unit-holders (refer note 4)	(15,160.69)	(4,953.52)
Dividend paid to the non controlling interests	(2,294.62)	-
Net cash flow from financing activities (C)	**44,707.31**	**23,636.88**
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2,828.85**	**(210.14)**
E Addition on account of business combination	409.50	1,130.08
F Cash and cash equivalents at the beginning of the year	1,283.62	363.68
Cash and cash equivalents at the end of the year (D+E+F)	**4,521.97**	**1,283.62**
Non-cash financing and investing activities		
Settlement of a purchase consideration through the issue of units	119.08	
Settlement of liabilities acquired in business combination through the issue of units	3,863.26	

Note:

The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS
SIGNED FOR IDENTIFICATION PURPOSE ONLY
HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust

Additional disclosures as per regulation 52(4) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Consolidated financial results for the quarter and year ended 31 March 2025:

(all amounts in ₹ millions, except ratios)

Sl.No.	Particulars	01 January 2025 to 31 March 2025	1 October 2024 to 31 December 2024	01 January 2024 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2023 to 31 March 2024
		(Refer Note 19)	*(Unaudited)*	*(Refer Note 7 and 19)*	*(Audited)*	*(Refer Note 7)*
(a)	Debt equity ratio (in times) [{Non-current borrowings + Current borrowings/unit capital]	0.65	1.44	1.31	0.65	1.31
(b)	Debt service coverage ratio (in times) [Profit before tax, finance costs, exceptional items/Finance costs + Principal repayment for borrowings)]	2.15	1.16	1.01	1.61	1.16
(c)	Interest service coverage ratio (in times) [Profit before tax, finance costs, exceptional items, depreciation and amortization expense]/Finance cost	4.59	4.31	2.49	4.33	2.74
(d)	Outstanding redeemable preference shares	-	-	-	-	-
(e)	Capital redemption reserve/debenture redemption reserve	2.83	2.83	2.83	2.83	2.83
(f)	Net worth [Unit capital + Other equity]	75,388.66	20,646.18	25,972.53	75,388.66	25,972.53
(g)	Net profit after tax	1,731.86	1,167.39	(3,031.55)	5,448.36	(1,530.32)
(h)	Earning per unit capital [Profit/(loss) after tax/Total number of units]	1.13	1.29	(4.46)	5.04	(3.22)
(i)	Current ratio (in times) [Current assets/Current liabilities]	1.03	1.00	1.74	1.03	1.74
(j)	Long term debt to working capital (in times) [Non-current borrowings + Current borrowings/Current assets less current liabilities (excluding current maturity of non-current borrowings)]	6.26	4.85	3.00	6.26	3.00
(k)	Bad debts to account receivable ratio (in %) [Bad debts/Average trade receivables]	-	-	-	-	-
(l)	Current liability ratio (in %) [Current liabilities/Total liabilities]	19.94%	23.28%	21.92%	19.94%	21.92%
(m)	Total debts to total assets ratio (in times) [{Non-current borrowings + Current borrowings} /Total assets]	0.34	0.48	0.46	0.34	0.46
(n)	Debtors turnover (in times) [Revenue from operations/ Average trade receivables { including financial assets }	31.78	14.79	73.72	89.00	125.30
(o)	Inventory turnover * [Sale of products/Average inventory of finished goods and stock in trade]	NA	NA	NA	NA	NA
(p)	Operating margin (in %) [{Profit before tax, finance cost, exceptional items and other income} /Revenue from operations]	43.41%	48.75%	16.03%	47.23%	28.32%
(q)	Net profit margin (in %) [Profit after tax/Revenue from operations]	26.85%	23.99%	-23.89%	25.61%	-7.65%

*The Group is having inventory in the nature of consumbales, stores and spares and does not have any sale of products, hence inventory turnover ratio is not applicable.

Notes:

i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2025 amounting to ₹ 11,299.58 millions (31 March 2024: ₹ 11,340.61 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2025.

(ii) **The Non Convertible Debentures ("NCD's") are secured by charge on the following:**

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:
(i) all receivables of the Issuer from the HoldCos and SPVs;
(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the Hold Cos and SPVs;
(iii) dividends and any other amounts to be paid / payable by the Hold Cos and SPVs to the Issuer;
(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and
(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be

d) first ranking pari passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) First ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Highways Infrastructure Trust
Notes to Audited Consolidated Financial results for the quarter and year ended 31 March 2025
(All amounts in ₹ millions unless otherwise stated)

1 The audited consolidated financial results of Highways Infrastructure Trust ('Trust') for quarter and year ended 31 March 2025 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ("Investment Manager") at their meeting held on 16 May 2025 and approved by the Board of Directors of the Investment Manager of the Trust at their meeting held on 16 May 2025. The statutory auditors have issued an unmodified audit report on the consolidated financial results.

2 The audited consolidated financial results comprises the consolidated statement of assets and liabilities, consolidated statement of profit and loss, consolidated statement of cash flows and other explanatory notes pursuant to requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations')('audited Consolidated financial results'). The audited consolidated financial results has been prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations.

3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021 .Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.

4 **Distribution Related to FY 2023-2024:**
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions, ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions and ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 08 August 2024, 08 November 2024 and 04 February 2025 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024, 19 November 2024 and 12 February 2025 respectively. Subsequent to quarter ended 31 March 2025, the Board of Directors of the Investment Manager have declared distribution of ₹ 3.2500 (rounded off) per unit amounting to ₹ 4,907.45 millions in their meeting held on 16 May 2025.

5 **Reduction of equity share capital of subsidiaries:**
The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2025 from Registrar of Company ("ROC"). Necessary impacts have been considered in the audited consolidated financial results of the Trust for the quarter and year ended 31 March 2025.
During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Narnaul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024. In case of RAHPL received final order for approving the capital reduction scheme on 18 Febuary 2025. Necessary impacts have been considered in the audited consolidated financial results of the Trust for the quarter and year ended 31 March 2025.

6 During year ended 31 March 2025, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approving the capital reduction scheme in STPL on 21 November 2024. Necessary impacts have been considered in the audited consolidated financial results of the Trust for the quarter and year ended 31 March 2025.

7 During the peevious year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). Galaxy Investments Pte. II Ltd had earlier acquired 76% stake on 29 March 2023 and balance 24% stake on 24 August 2023.
During the quarter ended 30 June 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,775,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.
Pursuant to Ind AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and BETPL are ultimately controlled by Galaxy Investments Pte. II Ltd both before and after the acquisition. Accordingly Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has restated comparative audited/unaudited financial information for period from 01 April 2023 to 31 March 2024 and 01 January 2024 to 31 March 2024 as if the acquisition had occurred from begining of the preceeding period i.e 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024 and the difference between the purchase consideration and the value of net identifiable assets acquired has been disclosed as "Capital Reserve" amounting to ₹ 96.83 millions in other equity.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

8 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ("RBPL"). Approval for change in ownership was received on 18 March 2024 from National Highways Authorities of India ("NHAI").
Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of RBPL on 20 Febuary 2025 ('acquisition date') for a total consideration of ₹ 1,423.00 millions (including contingent consideration amounting to ₹ 92.28 millions) respectively from H.G Infra Engineering Limited.As a result, RBPL has become a subsidiary of the Trust. The Management has applied the optional concentration test under Ind AS 103 "Business Combination" and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in receivable under service concession arrangements with similar risk characteristics. Accordingly, these transactions have been accounted for as an asset acquisition. Necessary impacts have been considered in the audited consolidated financial results of the Trust for the quarter and year ended 31 March 2025.

9 During the previous year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Investment Manager till 31 March 2024 (end of business hours) and Further appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.

10 During the previous year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

During the year ended 31 March 2025, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principal approval and final approvals for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle approval from NHAI:

Name of entity	Date of In-principal approval	Date of final approval
PKHPL	16 January 2025	12 March 2025
PBHPL	16 January 2025	12 March 2025
PRHPL	31 December 2024	12 March 2025
PCHPL	26 December 2024	12 March 2025
PTSHPL	11 December 2024	12 March 2025
PAHPL	19 November 2024	12 March 2025
PBKHPL	19 November 2024	24 February 2025
PGHPL	19 November 2024	24 February 2025
PMHHPL	29 March 2025	21 April 2025
PUHPL	29 March 2025	21 April 2025

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

11 During the year ended 31 March 2025, pursuant to Regulation 23(6) of the SEBI InvIT Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the SEBI LODR Regulations, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.
Further, during the quarter ended 31 March 2025, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Bruce Ross Crane, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 20 February 2025 and appointment of Mr. Michael Nachaty in place of Mr. Bruce Ross Crane effective from 24 February 2025.

12 During the quarter ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.

Further, during the quarter ended 31 December 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.

13 During the year ended 31 March 2025, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding:
(i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
(ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

14 During the year ended 31 March 2025, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MH/TS Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024 and effective from 14 February 2025, NHAI has granted the right to collect toll revenue.

15 **Scheme of arrangement by subsidiary company:**
During the year ended 31 March 2025, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The Company has filed the petitions, which is admitted by the NCLT on 04 March 2025, and no objections was raised during the hearing proceeding. Management is currently awaiting next hearing date for order announcement.

16 **Exceptional items**
As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment as mentioned below and amount reflected in consolidated results as mentioned below.
a) During the previous year the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations ('Ind AS 103'), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.
The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL.
Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the 31 March 2024, the recoverable amount of this goodwill was Nil. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount wass in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the previous year.

b) As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of Intangible assets (toll collection rights) and provided for an impairment loss of ₹ Nil millions during the quarter and year ended 31 March 2025 (quarter ended 31 December 2024: ₹ Nil millions and quarter and year ended 31 March 2024: ₹ 587.81 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) respectively in respect of intangible assets of the subsidiary companies of the Trust.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

17 **Preferential allotment of units by the Trust:**

During the year ended 31 March 2025:

A. The Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount of ₹ 5,007.34 millions on a preferential basis in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.

B. Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount of ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025. The same has been utilised for Investment in Equity Shares and providing secured and unsecured rupee term loan to NTEPL.

18 During the year ended 31 March 2025, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:

(i) Availing additional fund-based credit facilities up to ₹ 36,000.00 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and

(ii) Availing additional fund-based credit facilities up to ₹ 49,500.00 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.

During the quarter ended 31 March 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited (hereinafter collectively known as lenders) for an agreement amount of ₹ 82,500.00 millions. Out of the above said facility amount Trust has received disbursement of ₹ 12,000.00 millions from lenders on 11 February 2025.

19 The consolidated financial results for the quarter ended 31 March 2025 and 31 March 2024, being the balancing figures between the audited consolidated financial figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the respective financial year, which were subject to limited review by us.

20 Previous period figures have been reclassified/regrouped wherever necessary to conform to current period classification. The impact of the same is not material to these consolidated financial results.

21 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

For and on behalf of Board of Directors of
Highways Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Executive director and Joint CEO
DIN: 07641366

Gaurav Chandna
Executive director and Joint CEO
DIN: 10312924

Gajendra Mewara
Compliance Officer
Membership number: ACS 22941

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Walker Chandiok &Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok &Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023

To
The Board of Directors
Highway Concessions One Private Limited
(As the Investment Manager of Highways Infrastructure Trust)
601-602, 6th Floor, Windsor House,
Off CST Road, Kalina, Santacruz (East),
Mumbai, Maharashtra – 400098

1. This certificate is issued in accordance with the terms of our engagement letter dated 08 July 2024 with **Highways Infrastructure Trust** ("the Trust").

2. The accompanying Statement containing details of senior, secured, taxable, rated, listed, redeemable Non-convertible debt securities (hereinafter referred as "NCDs") of the Trust outstanding as at 31 March 2025 along with security cover maintained against such NCDs (Section I) and details of compliance with the financial covenants and covenants other than financial covenants as per the terms of debt security trust deed ("DSTD") dated 20 September 2022 (further amended on 10 February 2025) (Series I and II) and 15 January 2024 (Series III) (collectively referred to as "DSTD"), as included in (Sections II,III and IV) of the aforesaid statement (collectively hereinafter referred to as 'the Statement') has been prepared by the Investment Manager of the Trust for the purpose of submission of the Statement along with this certificate to the Catalyst Trusteeship Limited ("Debenture Trustee") of the Trust, pursuant to the requirements of Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('SEBI LODR') and pursuant to the requirements of Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) ('Debenture Trustees Regulations') (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 and for the purpose of submission to National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). We have initialled the Statement for identification purposes only.

Responsibilities of Investment Manager of the Trust for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Investment Manager of the Trust. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

4. The Investment Manager is also responsible for ensuring the compliance with the requirements of the Regulations and DSTD for the purpose of furnishing this Statement and for providing all relevant information to the Debenture Trustee, NSE and BSE.

Auditor's Responsibility

5. Pursuant to requirement of the Regulations, as referred to in paragraph 2 above, it is our responsibility to express reasonable assurance in the form of an opinion as to whether the details included in:

   a. Section I of the accompanying statement regarding maintenance of hundred percent security cover with respect to book value of assets offered as security against NCDs of the Trust outstanding as at 31 March 2025 are, in all material respects, in agreement with the audited standalone financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and the calculation thereof is arithmetically accurate;

   b. Section II of the accompanying statement regarding compliance with financial covenants relating to consolidated net debt to enterprise value as stated in Paragraph (ix) of Clause (d) of schedule III of the DSTD of NCDs of the Trust outstanding as at 31 March 2025, is in compliance with the terms of aforesaid DSTD and the amounts used in computation of such financial covenants are in agreement with the consolidated audited financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and that the calculation thereof is arithmetically accurate;

   c. Section III of the accompanying Statement with respect to financial covenant on 'Historical Debt Service Coverage Ratio' as stated in Paragraph (ix) of clause (d) of schedule III of DSTD of the NCDs outstanding as at 31 March 2025, is in compliance with the terms of DSTD and is in all material respects, in agreement with the audited standalone and consolidated financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the financial year ended 31 March 2025, or the calculation thereof is arithmetically accurate.

   Further, it is our responsibility to provide limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us to believe that:

   d. Section IV of the accompanying Statement with respect to compliance of all the covenants other than those covenants mentioned in Section I, Section II and Section III of the accompanying Statement of the NCDs of the Trust outstanding as at 31 March 2025, is in all material respects, not fairly stated.

6. The columns with respect to market value of assets (columns K to O) of the Section I of accompanying Statement are not covered by this certificate and no procedures have been performed by us on such information as per our terms of engagement.

7. The audited standalone and consolidated financial statements for the year ended 31 March 2025, referred to in paragraph 5 above, have been audited by us, on which we have expressed an unmodified audit opinion vide our report dated 16 May 2025. Our audit of standalone and consolidated financial statements was conducted in accordance with the Standard on Auditing ('SAs') and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Those Standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter. The procedures selected depend on the auditor's judgment, including the assessment of risk associated with the matters mentioned in the paragraph 5 (a), 5 (b) and 5 (c) above pertaining to Section I, Section II and Section III of the Statement. We have performed the following procedures in relation to such matter.

Section I of the accompanying Statement - Statement on security cover ratio:

a) Verified the details of security cover ratio criteria from the DSTD in respect of listed NCDs of the Trust outstanding as at 31 March 2025;
b) Obtained the list and value of assets offered as security against listed secured NCDs of the Trust outstanding as at 31 March 2025;
c) Traced the book values of assets mentioned in columns A to J from the Statement to the audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025;
d) Traced the principal amount of the listed secured NCDs and other debt outstanding as at 31 March 2025 to the audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025;
e) Verified that the computation of security cover is in accordance with the basis of computation given in the Statement and the amounts used in such computation (from columns A to J) have been accurately extracted from audited standalone financial statements of the Trust for the year ended 31 March 2025, underlying books of account and other relevant records and documents maintained by the Trust;
f) Obtained necessary representations from the Investment Manager of the Trust; and
g) Verified the arithmetical accuracy of the Statement.

Section II of the accompanying Statement - Statement on financial covenant on 'Consolidated net debt to enterprise value':

a) Verified the computation of financial covenants in relation to 'Consolidated Net Debt to Enterprise value' as mentioned in the Section II of the Statement as on 31 March 2025 and ensured that it is in accordance with the basis of computation given in the DSTD, and the amounts used in such computation for 'consolidated net debt' have been accurately extracted from audited consolidated financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025 and also traced the enterprise value as at 31 March 2025 from the valuation report dated 15 May 2025 of the independent registered valuer appointed by the Trust in accordance with SEBI (Infrastructure Investments Trusts) Regulations, 2014, as amended, used for calculation of enterprise value in consolidated net debt to enterprise value ratio;

b) Obtained necessary representations from the Investment Manager of the Trust; and

c) Verified the arithmetical accuracy of the Statement.

Section III of the accompanying Statement - Statement on financial covenant on Historical Debt Service Coverage Ratio ("DSCR"):

a) Obtained the audited standalone and consolidated financial statements of the Trust for the year ended 31 March 2025;

b) Obtained the financial statements of Jodhpur Pali Expressway Private Limited ("JPEPL") and Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) for the year ended 31 March 2025, which have been audited by Mahesh C. Solanki & Co on which they have expressed unmodified opinion vide report dated 30 April 2025;

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

c) Obtained the financial statements of Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited) and Godhra Expressways Private Limited ("GEPL") for the year ended 31 March 2025, which have been audited by Luthra & Luthra LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

d) Obtained the financial statements of Ulundurpet Expressways Private Limited ("UEPL"), Shillong Expressway Private Limited ("SEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL"), Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited), Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited) for the year ended 31 March 2025, which have been audited by Gianender & Associates on which they have expressed unmodified opinion vide report dated 30 April 2025;

e) Obtained the financial statements of Swarna Tollway Private Limited ("STPL") for the year ended 31 March 2025, which have been audited by M.K. Dandeker & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

f) Obtained the financial statements of Gurgaon Sohna Highway Private Limited ("GSHPL") and Rewari Bypass Private Limited ("RBPL") for the year ended 31 March 2025, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

g) Obtained the financial statements of Bangalore Elevated Tollway Private Limited ("BETPL") for the year ended 31 March 2025, which have been audited by MKPS & Associates on which they have expressed unmodified opinion vide report dated 30 April 2025;

h) Obtained the financial statements of North Telangana Expressway Private Limited ("NTEPL") for the year period from 14 October 2024 to 31 March 2025, which have been audited by S.B. Billimoria & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

i) Obtained the audited special purpose interim financial statement of BETPL for the period 01 April 2024 to 12 June 2024, which have been audited by MKPS & Associates on which they have expressed unmodified opinion vide report dated 26 June 2024;

j) Obtained the audited special purpose financial information of RBPL for the period 01 April 2024 to 19 February 2025, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 10 March 2025;

k) Recomputed the figures of BETPL in the statement for the period from 13 June 2024 to 31 March 2025 which is calculated as balancing figures between the figures for the year ended 31 March 2025 (as mentioned in "g" above), and figures for the period from 01 April 2024 to 12 June 2024 (as mentioned in "i" above);

l) Recomputed the figures of RBPL in the statement for the period from 20 February 2025 to 31 March 2025 which is calculated as balancing figures between the figures for the year ended 31 March 2025 (as mentioned in "f" above), and figures for the period from 01 April 2024 to 19 February 2025 (as mentioned in "j" above);

m) Obtained the independent certificate issued by respective auditors of the subsidiaries (Refer Annexure 1 for list of subsidiaries) of the Trust to trace the amount used in computation of historical debt service coverage ratio of the Trust;

n) Verified the computation in respect of compliance of covenant on the historical debt service coverage ratio as mentioned in the Statement;

o) Obtained necessary representations from the Investment Manager of the Trust; and

p) Verified the arithmetical accuracy of the Statement.



Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

11. The procedures performed in a limited assurance engagement vary in nature timing and form and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedure selected depend upon on the auditor's judgement, including the assessment of the areas where a material misstatement of the subject matter is likely to arise. We have performed the following procedures in relation to Section IV of the Statement.

Section IV of the accompanying Statement - Statement on compliance with the covenants other than those mentioned in Section I, II and Section III of the accompanying Statement:

a) Obtained a detailed listing of all the covenants other than financial covenant stated in the DSTD in respect of the listed NCDs of the Trust outstanding as at 31 March 2025;

b) Enquired and understood Investment Manager's assessment of compliance with all the covenants other than financial covenants and corroborated the responses from supporting documents (on test check basis) as deemed necessary;

c) Obtained necessary representations from the Investment Manager of the Trust; and

d) Based on the procedure performed in (a), (b) and (c) above, evaluated the appropriateness of the declaration made by the Investment Manager of the Trust in Section IV of the Statement;

e) Verified the arithmetical accuracy of the Statement.

Opinion on Section I, Section II and Section III of the Statement

12. Based on our examination and the procedures performed as per paragraph 10 above, evidences obtained, and the information and explanations given to us, along with the representations provided by the Investment Manager of the Trust, in our opinion the:

a. Section I of the accompanying statement regarding maintenance of hundred percent security cover with respect to book value of assets offered as security against NCDs of the Trust outstanding as at 31 March 2025 are, in all material respects, in agreement with the audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and that the calculation thereof is arithmetically accurate;

b. Section II of the accompanying statement regarding compliance with financial covenants relating to consolidated net debt to enterprise value as stated in Paragraph (ix) of Clause (d) of schedule III of the DSTD of NCDs of the Trust outstanding as at 31 March 2025, is in compliance with aforesaid DSTD and the amounts used in computation of such financial covenants are in agreement with the audited consolidated financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and that the calculation thereof is arithmetically accurate; and

c. Section III of the accompanying Statement with respect to financial covenant on 'Historical Debt Service Coverage Ratio' as stated in Paragraph (ix) of clause (d) of schedule III of DSTD of the NCDs outstanding as at 31 March 2025, is in compliance with the terms of DSTD and is in all material respects, in agreement with the audited standalone and consolidated financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the financial year ended 31 March 2025, or the calculation thereof is arithmetically accurate.



Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

Conclusion on Section IV of the Statement

Based on our examination and procedure performed in section 11 above, evidence obtained, and the information and explanation given to us, along with the representation provided by the Investment Manager of the Trust, nothing has come to our attention that cause us to believe that the details included in Section IV of the accompanying Statement with respect to compliance of all the covenants other than those covenants mentioned in Section I, II and Section III of the accompanying Statement of the NCDs of the Trust outstanding as at 31 March 2025, is in all material respects, not fairly stated.

Other matter

13. The certificates referred to in paragraph 10(m) above, have been certified by MKPS & Associates for BETPL who vide their certificates dated 06 May 2025, Gianender & Associates for UEPL, SEPL, RAHPL, ANHPL and DBCPL, M.K. Dandeker & Co. LLP for STPL, S.L.Chhajed & Co. LLP for GSHPL and Mahesh C. Solanki & Co for JPEPL and UTPL who vide their certificates dated 07 May 2025, Luthra & Luthra LLP for GEPL and NBPL who vide their certificates dated 08 May 2025 and S.L.Chhajed & Co. LLP for RBPL and S.B. Billimoria & Co. LLP for NTEPL who vide their certificates dated 12 May 2025 have expressed an unmodified opinion, and whose certificate has been furnished to us by the Investment Manager of the Trust and which has been relied upon by us for the purpose of our examination. Our opinion is not modified in respect of this matter.

Restriction on distribution or use

14. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as the statutory auditors of the Trust or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Trust.

15. The certificate is addressed to and provided to the Board of Directors of the Investment Manager of the Trust solely for the purpose of enabling it to comply with the requirements of the Regulations as mentioned in paragraph 2, which inter alia, require it to submit this certificate along with the Statement to the Debenture Trustee of the Trust, and for the purpose of submission to NSE and BSE, and therefore, this certificate should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 25507000BMMKQA5671

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Mumbai
Date: 16 May 2025

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations,1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

Annexure 1

List of subsidiaries considered:

1. Shillong Expressway Private Limited ('SEPL')
2. Jodhpur Pali Expressway Private Limited ('JPEPL')
3. Dewas Bhopal Corridor Private Limited ('DBCPL')
4. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
5. Ulundurpet Expressways Private Limited ('UEPL')
6. Godhra Expressways Private Limited ('GEPL')
7. Gurgaon Sohna Highway Private Limited ('GSHPL')
8. Rewari Ateli Highway Private Limited ('RAHPL')
9. Ateli Narnaul Highway Private Limited ('ANHPL')
10. Udupi Tollway Private Limited ('UTPL')
11. Swarna Tollway Private Limited ('STPL')
12. Bangalore Elevated Tollway Private Limited ('BETPL') w.e.f. from 13 June 2024
13. North Telangana Expressway Private Limited ('NTEPL') w.e.f. from 14 October 2024
14. Rewari Bypass Private Limited ('RBPL') w.e.f. from 20 February 2025



Section I - Computation of Security Cover Ratio of Highways Infrastructure Trust ('the Trust') as at 31 March 2025

(₹ in millions)

Statement of Security Cover Ratio														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge		Pari -Passu Charge			Assets not offered as Security (refer note 8)	Elimination (amounting negative)	TOTAL (C TO H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari pass charge		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets viii (refer note 9)	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable	Total Value (=K+L+M+N)
												Relating to Column F		
		Book Value	Book Value	Yes/No	Book Value	Book Value								
Assets														
Investments (refer note 2)	Investment in equity shares of subsidiaries of the Trust except for Gujarat Road and Infrastructure Company Limited (GRIICL). Further, it also includes Investment in 6% redeemable preference share of Shillong Expressway Private Limited (SEPL) and 0.001% unsecured preference share of Bangalore Elevated Tollway private Limited (BETPL) , Investment in optionally convertible debentures (OCDs) of subsidiaries of the Trust and interest accrued on OCDs.	-	-	Yes	35,980.72	-	-	-	35,980.72	-	-	1,79,891.36	-	1,79,891.36
Loans	Current and Non current portion of loans given to subsidiaries and interest accrued thereon.	-	-	Yes	1,14,182.75	-	-	-	1,14,182.75	-	-		-	
Investments	Investment in mutual funds	-	-	Yes	293.73	-	-	-	293.73	-	-	-	293.73	293.73
Cash and cash equivalents	Cash and cash equivalents	-	-	Yes	222.83	-	-	-	222.83	-	-	-	222.83	222.83
Bank balance other than Cash and Cash equivalents	Bank balance other than cash and cash equivalents	-	-	Yes	1,163.91	-	-	-	1,163.91	-	-	-	1,163.91	1,163.91
Other current and non-current assets	Other non current financial assets, non-current tax assets and other current and non-current assets	-	-	Yes	146.25	-	-	-	146.25	-	-	-	146.25	146.25
Total assets (i)		-	-		1,51,990.19	-	-	-	1,51,990.19	-	-	1,79,891.36	1,826.72	1,81,718.08
Liabilities														
Debt securities to which this certificate pertains (refer note 3)	Borrowings (including current and non current)	-	-	Yes	11,299.58	-	-	-	11,299.58	-	-	-	-	11,299.58
Other debt sharing pari-passu charge with above debt (refer note 4)	Borrowings (including current and non current)	-	-	No	33,955.09	-	-	-	33,955.09	-	-	-	-	33,955.09
Interest accrued but not due on non-convertible debentures (NCD)	Other financial liabilities	-	-	Yes	4.49	-	-	-	4.49	-	-	-	-	4.49
Interest accrued but not due on rupee term loan (IKTL)	Other financial liabilities	-	-	No	2.46	-	-	-	2.46	-	-	-	-	2.46
Trade payables	Trade payables	-	-	No	-	-	21.86	-	21.86	-	-	-	-	-
Unsecured debt raised by the Trust	Rated, Listed, Unsecured Commercial Papers ("CP")	-	-	No	-		2,606.00		2,606.00	-	-	-	-	-
Others payables	Other current liabilities, other current financial liabilities and deferred tax liabilities	-	-	No	-	-	106.01	-	106.01	-	-	-	-	-
Total liabilities (ii)					45,261.62	-	2,733.87	-	47,995.49	-	-	-	-	45,261.62
Cover on Book value [(i)/(ii)] (refer note 5)					3.36									
Cover on Market value [(i)/(ii)] (refer note 6)														4.01

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Section I - Computation of Security Cover Ratio of Highways Infrastructure Trust ('the Trust') as at 31 March 2025 (cont'd)-

Notes:

1 The amount disclosed in column A to J is accurately extracted from audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025 prepared in accordance with the Indian Accounting as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.

2 The above mentioned equity investment in the subsidiaries of the Trust does not includes investment in equity shares of one of the subsidiary namely GRICL amounting ₹ 5,657.22 millions. Since there is a pledge on equity shares and charge on the assets/liabilities of GRICL by the existing non convertible debenture (NCD) holders, accordingly, investment in equity shares of GRICL does not share pari-passu charge on debt securities to which this certificate pertains.

3 Debt securities to which this certificate pertains is outstanding amount of 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debentures (NCDs) securities having a face value of ₹ 975,000/- (Rupees Nine Lakhs Seventy Five Thousand only) and 50,000 NCDs securities having a face value of ₹ 100,000/- (Rupees One Lakh only).

4 Other debt sharing pari-passu charge with above debt includes current and non current portion of RTL taken from ICICI Bank Limited, State Bank of India, Axis Bank Limited, India Infrastructure Finance Company Limited, Punjab National Bank, IndusInd Bank Limited and HDFC Bank Limited.

5 **Cover on book value has been calculated in the following manner:**

Pari - passu security cover = Value of assets (Column F) having pari-passu charge/Outstanding value of corresponding debt (refer note 7) + interest accrued (both NCD and RTL)

Pari - passu security cover (on book value) = **3.36**

6 **Cover on market value has been calculated in the following manner:**

Pari - passu security cover = Total value of assets (Column O)/Outstanding value of corresponding debt (refer note 7) + interest accrued (both NCD and RTL)

Pari - passu security cover (on market value) = **4.01**

7 Value of corresponding debt includes debt securities to which certificates pertains and all other debt sharing pari-passu charge with that debt.

8 Assets not offered as security includes unsecured debt raised by the Trust, trade and other payables which are not offered as security in Debt Security Trust Deed (DSTD).

9 The amounts disclosed in column M is based on the adjusted enterprise value as at 31 March 2025 of the subsidiaries of the Trust namely (i) DBCPL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL - Nirmal BOT Private Limited; (iv) JPEPL - Jodhpur Pali Expressway Private Limited; (v) SEPL; (vi) UEPL - Ulundurpet Expressways Private Limited; (vii) UTPL - Udupi Tollway Private Limited, (viii) RAHPL - Rewari Ateli Highway Private Limited, (ix) ANHPL - Ateli Narnaul Highway Private Limited, (x) GSHPL - Gurgaon Sohna Highway Private Limited, (xi) STPL - Swarna Tollway Private Limited, (xii) BETPL, (xiii) NTEPL - North Telangana Expressway Private Limited and (xiv) RBPL - Rewari Bypass Private Limited conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended) vide its valuation report dated 15 May 2025.

Adjusted Enterprise value has been calculated as below:

Enterprise value + Cash and cash equivalents + liquid investments, if any.

For and on behalf of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna Executive Director and Joint CEO **DIN:** 10312924	**Dr. Zafar Khan** Executive Director and Joint CEO **DIN:** 07641366	**Abhishek Chhajer** Chief Financial Officer	**Gajendra Mewara** Compliance Officer **Membership number:** ACS 22941
Place: Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Section II- Statement on Consolidated Net Debt to Enterprise Value of Highways Infrastructure Trust ('the Trust') as at 31 March 2025:

i) The Trust has issued secured, taxable, rated, listed, redeemable, non-convertible debentures ('NCDs') securities having original face value of ₹1,000,000/- (Rupees Ten Lakhs only) each for Series I, Series II and Series III having original face value of ₹100,000/- (Rupees One Lakh only), aggregating up to ₹11,500.00 millions in three series of:
(a) Series I Debt Securities up to ₹4,000.00 millions;
(b) Series II Debt Securities up to ₹2,500.00 millions; and
(c) Series III Debt Securities up to ₹5,000.00 millions

Pursuant to the Debt Security Trust deed ("DSTD") dated 20 September 2022 (further amended on 10 February 2025) (Series I and II) and 15 January 2024 (Series III) read with the common terms schedule executed inter alia amongst the Trust, acting through Catalyst Trusteeship Limited ('the Debenture Trustee').
The Trust has prepared this statement of Consolidated Net Debt to Enterprise Value of the Trust as at 31 March 2025 pursuant to the financial covenants stated in the DSTD as follows:
The Trust shall be required to ensure that the aggregate Consolidated Net Debt shall be less than the aggregate of (i) 55% (fifty five percent) of the Enterprise Value of the toll based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value of the annuity / hybrid annuity based SPVs as per DSTD dated 20 September 2022 (further amended on 10 February 2025) and 15 January 2024.

ii) **Below are the calculations of the Consolidated Net Debt to Enterprise Value: (₹ in millions)**

Particulars	As at 31 March 2025 (refer note 4)	Remarks
Consolidated Net Debt:		
Long term borrowings	41,922.85	Refer note 2
Short term borrowings	7,423.86	Refer note 2
Deferred purchase consideration	92.28	Refer note 3
Total financial indebteness	**49,438.99**	Refer note 5
Less: cash and cash equivalents	(2,794.60)	Refer note 6
TOTAL (A)	**46,644.39**	Refer note 8
Enterprise Value:		
55% of the Enterprise Value of the toll based SPVs	94,188.66	Refer note 7
70% of the Enterprise Value of the annuity / hybrid annuity based SPVs	9,144.30	Refer note 7
TOTAL (B)	**1,03,332.96**	Refer note 8

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Section II- Statement on Consolidated Net Debt to Enterprise Value of Highways Infrastructure Trust ('the Trust') as at 31 March 2025 (cont'd)-

Notes:

1 The Statement has been prepared on the basis of audited Consolidated Financial Statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025 in accordance with the Indian Accounting Standard ('Ind AS') as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India;

2 Represents amounts outstanding against rupee term loans from banks/financial institutions, non convertible debentures ("NCDs") holders, commercial papers and bank guarantees as at 31 March 2025, gross off unamortized processing fees/ Indian Accounting Standard (Ind AS) adjustment of ₹ 208.69 millions and reduced by share of Non-controlling interest ("NCI") in outstanding debt of Gujarat Road and Infrastructure Private Limited ("GRICL") amounting to ₹ 367.20 millions. Borrowing amount does not includes interest accrued on rupee term loan and NCDs amounting to ₹ 6.96 millions;

3 Financial indebtedness also includes deferred purchase consideration (refer clause 1.1 of DSTD) amounting to ₹ 92.28 millions which shall be payable to the seller by the Trust in respect of acquisition of Rewari Bypass Private Limited ("RBPL");

4 The calculations of the Consolidated Net Debt to Enterprises Value excludes portion of NCI i.e. 43.20% held in GRICL;

5 It does not includes provisions, deferred tax liabilities, trade payables, current tax liabilities, other current liabilities, other non-current liabilities, other non-current financial liabilities, other current financial liabilities and contract liabilities;

6 For the purpose of above calculations of ratios, it includes amounts classified as 'Cash and cash equivalents', 'Investments', 'Bank balances other than cash and cash equivalents' and 'Bank deposits with more than 12 months maturity' as per audited Consolidated Financial Statements of the Trust, underlying books of account and other relevant records and documents of the Trust as at 31 March 2025, amounting to ₹ 4,521.97 millions, ₹ 1,022.45 millions, ₹ 2,774.10 millions and ₹ 422.44 millions respectively. The amounts of cash and cash equivalents of ₹ 2,794.60 millions as disclosed in the ratio above, excludes cash balance earmarked for distribution of ₹ 4,907.45 millions, cash balance and investments earmarked for Major maintenance reserve ("MMR")/Madhya Pradesh Road Development Corporation Limited ("MPRDC") amounting to ₹ 241.45 millions (includes share of the Trust i.e., 56.80% in MMR of GRICL) and share of NCI in GRICL of ₹ 614.94 millions in cash and cash equivalents, and ₹ 182.50 millions in bank deposits with more than 12 months maturity;

7 For the purpose of above calculations, 55% of Enterprise Value as at 31 March 2025 has been considered of toll based SPVs of the Trust namely (i) DBCPL - Dewas Bhopal Corridor Private Limited, (ii) GEPL - Godhra Expressways Private Limited, (iii) JPEPL - Jodhpur Pali Expressways Private Limited, (iv) UEPL - Ulundurpet Expressways Private Limited, (v) UTPL - Udupi Tollway Private Limited, (vi) STPL - Swarna Tollway Private Limited, (vii) GRICL (limited to 56.80% shares owned by the Trust), (viii) BETPL - Bangalore Elevated Tollway Private Limited, and (ix) NTEPL - North Telangana Expressway Private Limited and 70% of enterprise value of the annuity / hybrid annuity based SPVs namely (i) SEPL - Shillong Expressways Private Limited, (ii) NBPL - Nirmal BOT Private Limited , (iii) RAHPL - Rewari Ateli Highway Private Limited, (iv) ANHPL - Ateli Narnaul Highway Private Limited, and (v) GSHPL - Gurgaon Sohna Highway Private Limited, and (vi) RBPL conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended) vide its valuation report dated 15 May 2025; and

8 The Consolidated Net Debt (refer Total A) is less than the aggregate of Enterprise Value calculated above (refer Total B) is in compliance with the Paragraph (ix) of Clause (d) of schedule III of the DSTD dated 20 September 2022 (further amended on 10 February 2025) and 15 January 2024.

For and on behalf of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna	**Dr. Zafar Khan**	**Abhishek Chhajer**	**Gajendra Mewara**
Executive Director and Joint CEO	Executive Director and Joint CEO	Chief Financial Officer	Compliance Officer
DIN: 10312924	**DIN:** 07641366		**Membership number:** ACS 22941
Place: Mumbai	**Place:** Mumbai	**Place:** Mumbai	**Place:** Mumbai
Date: 16 May 2025	**Date:** 16 May 2025	**Date:** 16 May 2025	**Date:** 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust :-

i) The Highways Infrastructure Trust ('Trust') availed rupee term-loan facilities ('RLA1') from Axis Bank Limited, ICICI Bank Limited, and State Bank of India for an aggregate sanctioned amount of ₹ 8,000.00 millions pursuant to the rupee loan agreement dated 05 September 2022 (further amended on 07 October 2024). Further, the Trust has also issued 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities pursuant to the Debt Security Trust Deed (DSTD) dated 20 September 2022 (further amended on 10 February 2025) having original face value of ₹ 1,000,000/- (Rupees Ten Lakhs only) each, aggregating up to ₹ 6,500.00 millions (Rupees six thousand five hundred millions only) in two series of:
(a) Series I Debt Securities up to ₹ 4,000.00 millions; and
(b) Series II Debt Securities up to ₹ 2,500.00 millions;

The Trust has also issued 50,000 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities (Series III) pursuant to the DSTD dated 15 January 2024 having original face value of ₹ 100,000/- (Rupees One Lakh only) each, aggregating up to ₹ 5,000.00 millions (Rupees five thousand millions only).

The Trust has also availed another rupee term-loan facilities ('RLA2') from Axis Bank Limited, ICICI Bank Limited and State Bank of India and India Infrastructure Finance Company Limited for an aggregate sanctioned amount of ₹ 19,000.00 millions pursuant to rupee loan agreement dated 30 October 2023 (further amended on 04 November 2024) out of which Trust has received disbursement of ₹ 16,048.43 millions from lenders as on 31 March 2025.

The Trust has also availed another rupee term-loan facilities ('RLA3') from Punjab National Bank, Axis Bank Limited, State Bank of India, ICICI Bank Limited, IndusInd Bank Limited, India Infrastructure Finance Company Limited and HDFC Bank Limited for an aggregate sanctioned amount of ₹ 49,500.00 millions pursuant to rupee loan agreement dated 14 January 2025, which has not been disbursed as on 31 March 2025.

The Trust has also availed another rupee term-loan facilities ('RLA4') from Axis Bank Limited, Punjab National Bank and State Bank of India for an aggregate sanctioned amount of ₹ 33,000.00 millions pursuant to rupee loan agreement dated 14 January 2025 out of which Trust has received disbursement of ₹ 12,000.00 millions from lenders as on 31 March 2025.

The Trust has furnished performance security in the form of bank guarantee to the National Highway Authority of India ('NHAI') in a sum of ₹ 173.65 millions as security for due and faithfull performance of its obligations.

ii) **Refer calculation of Historical Debt Service Coverage Ratio for the period from 01 April 2024 to 31 March 2025 below:**

Below are the calculations of the Historical Debt Service Coverage Ratio: **(₹ in millions)**

	For the twelve months period ended 31 March 2025 (refer note 1)																
Particulars	**DBCPL (refer note 15)**	**NBPL (refer note 15)**	**GEPL (refer note 15)**	**JPEPL (refer note 15)**	**UEPL (refer note 15)**	**SEPL (refer note 15)**	**UTPL (refer note 15)**	**GSHPL (refer note 15)**	**ANHPL (refer note 15)**	**RAHPL (refer note 15)**	**STPL (refer note 15)**	**BETPL (refer note 15)**	**RBPL (refer note 15)**	**NTEPL (refer note 15)**	**Trust**	**Total**	**Remarks**
Total cash available (A)*																	
Add: Cash revenue	2,524.14	490.49	1,803.33	717.29	1,864.01	497.40	1,398.88	613.51	1,247.09	714.50	3,577.80	1,969.33	32.57	714.71	-	18,165.05	Refer note 4
Add: Other cash income	44.16	15.50	15.08	11.35	82.09	204.68	11.13	13.22	16.51	12.26	76.84	114.14	2.56	180.51	208.87	1,008.90	Refer note 5
Add: Funds from Investors and Non - Convertible Debenture holder's in the Trust for general corporate purpose utilised for debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97.86	97.86	Refer note 6
Less : Premium paid (including current and deferred) to the Authority, if any, which was due during the trailing 12 months in accordance with the provisions of the Concession Agreement	-	-	(133.92)	(17.60)	-	-	-	-	-	-	-	-	-	-	-	(151.52)	Refer note 7
Less: Cash operating expenditure	(318.87)	(297.52)	(164.62)	(181.59)	(244.01)	(301.23)	(245.71)	(157.87)	(510.92)	(236.29)	(496.10)	(376.76)	(49.80)	(59.16)	(258.12)	(3,898.57)	Refer note 8
Less: Major maintenance expenses incurred during the period, which have not been met from the Major Maintenance Reserve (MMR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 11 and 12
Less: Cash taxes	(174.13)	(9.34)	-	-	(134.56)	(4.35)	-	(2.43)	-	-	(404.63)	(61.23)	-	-	(53.18)	(843.85)	Refer note 9
Less: MMR created or to be created during the testing period as per Base Case Business Plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 10
Total (A)	**2,075.30**	**199.13**	**1,519.87**	**529.45**	**1,567.53**	**396.50**	**1,164.30**	**466.43**	**752.68**	**490.47**	**2,753.91**	**1,645.48**	**(14.67)**	**836.06**	**(4.57)**	**14,377.87**	
External debt obligation (B)- (for the trailing 12 months, excluding any bullet payments, which have been refinanced during the period) (refer note 13)																	
Add : Interest/ coupon payments on external debt	-	-	-	-	-	-	-	-	-	-	-	1.60	16.18	-	2,832.58	2,850.36	Refer note 13 and 14
Add: any fees paid on external debt	-	-	-	-	-	-	-	-	-	-	-	7.05	18.20	-	112.35	137.60	
Add: principal paid on external debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	781.81	781.81	
Total (B)	-	-	-	-	-	-	-	-	-	-	-	**8.65**	**34.38**	-	**3,726.74**	**3,769.77**	
DSCR : Total cash available (A) / External debt obligation (B)																**3.81**	

*** total cash available represents cash available for servicing debt securities, additional debt, any debt under permitted indebtedness for the trailing 12 (twelve) months.**

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS AY

SIGNED FOR IDENTIFICATION PURPOSES

(this page has been intentionally left blank)

HIGHWAYS INFRASTRUCTURE TRUST

Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes :

1 **The Statement has been prepared on the basis of:**

i) audited standalone and consolidated financial statements of the Highways Infrastructure Trust ('Trust") and financial statements of the subsidiaries, underlying books of accounts and other records maintained by the Trust for the year ended 31 March 2025 in case of DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL, UTPL, RAHPL, ANHPL, GSHPL, STPL; and

ii) from date of acquisition of new subsidiaries i.e. 13 June 2024 to 31 March 2025 in case of BETPL, 20 February 2025 to 31 March 2025 in case of RBPL and from date of incorporation from 14 October 2024 to 31 March 2025 in case of NTEPL.

Basis of preparation is listed below:

i) The figures for the year ended 31 March 2025 of audited standalone and consolidated financial statement of the Trust are audited by the statutory auditor's of the Trust and for the subsidiaries, the same are audited by their respective auditors.

ii) The figures for the period 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL are audited by their respective auditor's of the subsidiaries.

The figures are computed as total of following:

The above figures for the period from 13 June 2024 to 31 March 2025 in case of BETPL and 20 February 2025 to 31 March 2025 in case of RBPL, are computed as balancing figures between the figures of financial statement of the subsidiaries for the year ended 31 March 2025 and figures of financial statement of the subsidiaries for the period ended 12 June 2024 in case of BETPL and 19 February 2025 in case of RBPL.

2 As per the terms of Debt Security Trust Deed and Rupee Loan Agreement, DSCR calculation is based on the cash available for debt servicing and debt servicing obligations for the trailing 12 months period. Therefore, the numbers reported above are considered from 01 April 2024 till 31 March 2025 in case of Trust, DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL, UTPL, RAHPL, ANHPL, GSHPL, STPL and from date of acquisition/incorporation for the newly acquired/incorporated subsdiaries i.e. 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES

HIGHWAYS INFRASTRUCTURE TRUST

Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

3 The figures reported above are after considering the impacts of all eliminations of inter SPV / Trust transactions.

4 Cash Revenue represents revenue from operations from the statement of Profit and Loss of the Trust and its subsidiaries, actual amount of annuity received from Concession authority in case of (i) SEPL and (ii) NBPL, actual amount of annuity received, interest income on reducing balance cost, operation and maintenance receipt from Concession authority and GST claim on annuity in case of (i) ANHPL, (ii) GSHPL and (iii) RAHPL; and excludes interest income receivable on annuity from concession authority, modification gain on annuity, revenue from operations and maintenance of road and revenue from major maintenance for the period from 01 April 2024 to 31 March 2025 in case of SEPL, NBPL, ANHPL, GSHPL and RAHPL being notional in nature. Further, revenue from operations of standalone Trust doesn't includes income generated from inter SPV transactions, considering the numbers reported above are after eliminations.

5 Other cash income represents other income from the statement of Profit and Loss of the Trust and its subsidiaries excluding gain on reduction of investment in equity of SPVs, fair value gain of mutual fund (mark-to-market gain), sundry balances written-back being notional in nature, income from change in deferred consideration, compensation of claim revenue, unwinding of discount on provisions and financial liabilities carried at amortised cost written back and excess provisions written back for the period from 01 April 2024 to 31 March 2025, from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

6 The total cash available includes the amount raised from right issue of units from the unitholder's of the Trust as General Corporate Purpose and partial or full repayment of the outstanding debt of the Target SPV ("ANHPL") purpose, that are utilized for the purpose of repayment of Interest/ coupon payments, principal and fees paid on external debt.

7 Premium paid (including current and deferred) to the authority represents concession premium due to National Highway Authority of India ("NHAI") / Public Works Department ("PWD") for the period 01 April 2024 to 31 March 2025.

8 Cash operating expenses represents employee benefit expenses, operating expenses and other expenses from the statement of profit and loss of the Trust and its subsidiaries excluding loss on investments carried at fair value through profit or loss (mark-to-market loss), provision against major maintenance obligation, balance written-off being notional in nature, provision for handover cost of project, modification loss, loss on sale of fixed assets for the period from 01 April 2024 to 31 March 2025 from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL. Further, finance cost has not been considered in order to calculate total cash available for debt servicing.

9 Cash Taxes represent current tax expense as per statement of profit and loss of the Trust and its subsidiaries for the period from 01 April 2024 to 31 March 2025, from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

10 MMR maintained at NBPL, JPEPL and UTPL are out of the funds infused by the Trust into the SPVs using debt facilities availed at Trust level. Further MMR is also maintained by way of earmarked committed sanctioned undrawn debt facility vide RLA3 and RLA4 at Trust level. In both the cases, it is not from the cash flows generated during the period of the SPVs/Trust, hence the same is not considered while calculating total cash available for calculation of historical debt service coverage ratio.

11 Major maintenance expenses for period from 01 April 2024 to 31 March 2025 incurred were within the MMR reserve created in case of DBCPL, NBPL, UTPL, UEPL, GRICL and STPL. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations and hence not considered in the calculation of DSCR.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

AY

SIGNED FOR IDENTIFICATION PURPOSES

HIGHWAYS INFRASTRUCTURE TRUST

Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

12 Major maintenance expenses for period from 13 June 2024 to 31 March 2025 in case of BETPL incurred were within the MMR reserve created. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations of the SPVs and hence not considered in the calculation of DSCR.

13 The external debt obligations considered in the DSCR working includes amounts paid by the Trust in relation to the RLA1, RLA2 and NCDs for the trailing 12 months, in terms of the RLA and DSTD and the amount paid for repayment of term loan, interest payable thereon and pre-payment charges by the subsidiaries before refinancing of their availed debt by the Trust. Further, net redemption amount of ₹ 252.63 millions for Rated, listed and Unsecured Commercial Papers (CP) of Series-I and Series-II issued by the Trust (Redemption value ₹ 2,750.00 millions each for Series-I and Series-II less issue proceeds of new CP issued under Series-II for ₹ 2,698.20 millions and issue proceeds of new CP issued under Series-III amounting to ₹ 2,549.17 millions) is considered under principal paid on external debt.

14 Interest/ coupon payments on external debt and principal paid on external debt represents interest accrued and principal paid on debt obtained from external parties for the period from 01 April 2024 to 31 March 2025. Further any fees paid on external debt represents processing fees on availment of RLA4 by the Trust and prepayment penalty on repayment of borrowings by the subsidiaries during the period from 01 April 2024 to 31 March 2025. Further any interest payment, principal payment or write - off of processing fees at the time of refinancing of borrowings have not been considered considering there is no impact on cash flows pursuant to the refinancing arrangement entered between the Trust and SPVs.

15 (i) DBCPL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL- Nirmal BOT Private Limited; (iv) JPEPL - Jodhpur Pali Expressways Private Limited; (v) SEPL- Shillong Expressways Private Limited; (vi) UEPL - Ulundurpet Expressways Private Limited; (vii) UTPL - Udupi Tollway Private Limited; (viii) ANHPL- Ateli Narnaul Highway Private Limited ; (ix) GSHPL- Gurgaon Sohna Highway Private Limited; (x) RAHPL- Rewari Ateli Highway Private Limited; and (xi) STPL - Swarna Tollway Private Limited; (xii) BETPL - Bangalore Elevated Tollway Private Limited; (xiii) NTEPL - North Telangana Expressway Private Limited and (xiv) RBPL - Rewari Bypass Private Limited (herein referred to as "project SPVs" or "SPVs" or "subsidiaries").

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as the Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924
Place: Mumbai
Date: 16 May 2025

Dr. Zafar Khan
Executive Director and Joint CEO
DIN: 07641366
Place: Mumbai
Date: 16 May 2025

Abhishek Chhajer
Chief Financial Officer
Place: Mumbai
Date: 16 May 2025

Gajendra Mewara
Compliance Officer
Membership number: ACS 22941
Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES

HIGHWAYS INFRASTRUCTURE TRUST

Section IV- Compliance with all covenants other than those covenants mentioned in Section I, Section II and Section III

Management Declaration

We confirm that the Trust has complied with all the following covenants as included in Schedule III of the debt security trust deed dated 20 September 2022 (further amended on 10 February 2025) (Series I and II) and 15 January 2024 (Series III):

Part 1: Affirmative Covenants
Part 2: Information Covenants
Part 3: Negative Covenants
Part 4: General Covenants

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna Executive Director and Joint CEO **DIN:** 10312924	**Dr. Zafar Khan** Executive Director and Joint CEO **DIN:** 07641366	**Abhishek Chhajer** Chief Financial Officer	**Gajendra Mewara** Compliance Officer **Membership number:** ACS 22941
Place: Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025	**Place:** Mumbai **Date:** 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSE ONLY

HIGHWAYS INFRASTRUCTURE TRUST

Walker Chandiok &Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok &Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Independent Auditor's Certificate on historical debt service coverage ratio of Highways Infrastructure Trust

To,
The Board of Directors,
Highway Concessions One Private Limited
(As the Investment Manager of Highways Infrastructure Trust)
601-602, 6th Floor, Windsor House,
Off CST Road, Kalina, Santacruz (East),
Mumbai, Maharashtra – 400098

1. This certificate is issued in accordance with the terms of our engagement letter dated 08 July 2024 with **Highways Infrastructure Trust** ("the Trust").

2. The accompanying statement containing details of historical debt service coverage ratio of the Trust for the period from 01 April 2024 to 31 March 2025 (collectively referred to as 'the Statement') has been prepared by the Investment Manager of the Trust for the purpose of submission of the Statement along with this certificate to Catalyst Trusteeship Limited ("Rupee Lenders' Agent"), ICICI Bank Limited, State Bank of India, India Infrastructure Finance Company Limited, Axis Bank Limited, Punjab National Bank, IndusInd Bank Limited and HDFC Bank Limited (together referred to as "lenders") pursuant to the requirements of sub-clause (i) of clause (a) of Paragraph 10.1 of the Rupee Loan Agreement dated 03 September 2022 (further amended on 07 October 2024) (RLA1), Rupee Loan Agreement dated 30 October 2023 (further amended on 04 November 2024) (RLA2), Rupee Loan Agreement dated 14 January 2025 (RLA3) and Rupee Loan Agreement dated 14 January 2025 (RLA4) (collectively referred to as 'RLA'). We have initialled the Statement for identification purposes only.

Responsibility of Investment Manager of the Trust for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Investment Manager of the Trust. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Investment Manager of the Trust is also responsible for ensuring the compliance with the requirements of the RLA for the purpose of furnishing this Statement and for providing all relevant information to the Rupee Lenders Agent of the Trust and lenders.

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Independent Auditor's Certificate on historical debt service coverage ratio of Highways Infrastructure Trust (Cont'd)

Auditor's Responsibility

5. Pursuant to requirements as referred to in paragraph 2 above, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether anything has come to our attention that causes us to believe that the historical debt service coverage ratio for the year ended 31 March 2025, as set out in the statement is in compliance with the terms of RLA and is in all material respects in agreement with the audited standalone and consolidated financial statements of the Trust; underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and that the calculation thereof is arithmetically accurate.

6. The audited standalone and consolidated financial statements for the year ended 31 March 2025, referred to in paragraph 5 above, have been audited by us, on which we have expressed an unmodified opinion vide our report dated 16 May 2025. Our audit of standalone and consolidated financial statements was conducted in accordance with the Standard on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Those Standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter. The procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the accompanying Statement:

   a) Obtained the audited standalone and consolidated financial statements of the Trust for the year ended 31 March 2025;

   b) Obtained the financial statements of Jodhpur Pali Expressway Private Limited ("JPEPL") and Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) for the year ended 31 March 2025, which have been audited by Mahesh C. Solanki & Co on which they have expressed unmodified opinion vide report dated 30 April 2025;

   c) Obtained the financial statements of Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited) and Godhra Expressways Private Limited ("GEPL") for the year ended 31 March 2025, which have been audited by Luthra & Luthra LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

   d) Obtained the financial statements of Ulundurpet Expressways Private Limited ("UEPL"), Shillong Expressway Private Limited ("SEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL"), Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited), Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited) for the year ended 31 March 2025, which have been audited by Gianender & Associates on which they have expressed unmodified opinion vide report dated 30 April 2025;

   e) Obtained the financial statements of Swarna Tollway Private Limited ("STPL") for the year ended 31 March 2025, which have been audited by M.K. Dandeker & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

   f) Obtained the financial statements of Gurgaon Sohna Highway Private Limited ("GSHPL") and Rewari Bypass Private Limited ("RBPL") for the year ended 31 March 2025, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

Independent Auditor's Certificate on historical debt service coverage ratio of Highways Infrastructure Trust (Cont'd)

g) Obtained the financial statements of Bangalore Elevated Tollway Private Limited ("BETPL") for the year ended 31 March 2025, which have been audited by MKPS & Associates on which they have expressed unmodified opinion vide report dated 30 April 2025;

h) Obtained the financial statements of North Telangana Expressway Private Limited ("NTEPL") for the year ended 31 March 2025, which have been audited by S.B. Billimoria & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2025;

i) Obtained the audited special purpose interim financial statement of BETPL for the period 01 April 2024 to 12 June 2024, which have been audited by MKPS & Associates on which they have expressed unmodified opinion vide report dated 26 June 2024;

j) Obtained the special purpose financial information of RBPL for the period 01 April 2024 to 19 February 2025, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 10 March 2025;

k) Recomputed the figures of BETPL in the statement for the period from 13 June 2024 to 31 March 2025 which is calculated as balancing figures between the figures for the year ended 31 March 2025 (as mentioned in "g" above), and figures for the period from 01 April 2024 to 12 June 2024 (as mentioned in "i" above);

l) Recomputed the figures of RBPL in the statement for the period from 20 February 2025 to 31 March 2025 which is calculated as balancing figures between the figures for the year ended 31 March 2025 (as mentioned in "f" above), and figures for the period from 01 April 2024 to 19 February 2025 (as mentioned in "j" above);

m) Obtained the independent certificate issued by respective auditors of the subsidiaries (Refer Annexure 1 for list of subsidiaries) of the Trust to trace the amount used in computation of historical debt service coverage ratio of the Trust;

n) Verified the computation in respect of compliance of covenant on the historical debt service coverage ratio as mentioned in the Statement;

o) Obtained necessary representations from the Investment Manager of the Trust; and

p) Verified the arithmetical accuracy of the Statement.

Opinion

10. Based on our examination and the procedures performed above as per paragraph 9, evidence obtained and the information and explanations given to us, along with the representations provided by the Investment Manager of the Trust, in our opinion the historical debt service coverage ratio for the year ended 31 March 2025, as set out in the Statement, is in all material respects is in agreement with the audited standalone and consolidated financial statement of the Trust; underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2025, and that the calculation thereof is arithmetically accurate.

Other Matter

11. The certificates referred to in paragraph 9(m) above, have been certified by MKPS & Associates for BETPL who vide their certificates dated 06 May 2025, Gianender & Associates for UEPL, SEPL, RAHPL, ANHPL and DBCPL, M.K. Dandeker & Co. LLP for STPL, S.L.Chhajed & Co. LLP for GSHPL and Mahesh C. Solanki & Co for JPEPL and UTPL who vide their certificates dated 07 May 2025, Luthra & Luthra LLP for GEPL and NBPL who vide their certificates dated 08 May 2025 and S.L.Chhajed & Co. LLP for RBPL and S.B. Billimoria & Co. LLP for NTEPL who vide their certificates dated 12 May 2025 have expressed an unmodified opinion, and whose certificate has been furnished to us by the Investment Manager of the Trust and which has been relied upon by us for the purpose of our examination. Our opinion is not modified in respect of this matter.



Independent Auditor's Certificate on historical debt service coverage ratio of Highways Infrastructure Trust (Cont'd)

Restriction on distribution or use

12. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the RLA. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Trust or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Trust.

13. The certificate is addressed to and provided to the Board of Directors of the Investment Manager of the Trust solely for the purpose of enabling it to comply with the requirements of the RLA, which requires it to submit the certificate with the accompanying Statement to, Rupee Lenders' Agent and lenders, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 25507000BMMKPZ3154

Place: Mumbai
Date: 16 May 2025

Independent Auditor's Certificate on historical debt service coverage ratio of Highways Infrastructure Trust (Cont'd)

Annexure 1

List of subsidiaries considered:

1. Shillong Expressway Private Limited ('SEPL')
2. Jodhpur Pali Expressway Private Limited ('JPEPL')
3. Dewas Bhopal Corridor Private Limited ('DBCPL')
4. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
5. Ulundurpet Expressways Private Limited ('UEPL')
6. Godhra Expressways Private Limited ('GEPL')
7. Gurgaon Sohna Highway Private Limited ('GSHPL')
8. Rewari Ateli Highway Private Limited ('RAHPL')
9. Ateli Narnaul Highway Private Limited ('ANHPL')
10. Udupi Tollway Private Limited ('UTPL')
11. Swarna Tollway Private Limited ('STPL')
12. Bangalore Elevated Tollway Private Limited ('BETPL') w.e.f. from 13 June 2024
13. North Telangana Expressway Private Limited ('NTEPL') w.e.f. from 14 October 2024
14. Rewari Bypass Private Limited ('RBPL') w.e.f. from 20 February 2025



Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust :-

i) The Highways Infrastructure Trust ('Trust') availed rupee term-loan facilities ('RLA1') from Axis Bank Limited, ICICI Bank Limited, and State Bank of India for an aggregate sanctioned amount of ₹ 8,000.00 millions pursuant to the rupee loan agreement dated 03 September 2022 (further amended on 07 October 2024). Further, the Trust has also issued 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities pursuant to the Debt Security Trust Deed (DSTD) dated 20 September 2022 (further amended on 10 February 2025) having original face value of ₹ 1,000,000/- (Rupees Ten Lakhs only) each, aggregating up to ₹ 6,500.00 millions (Rupees six thousand five hundred millions only) in two series of:
(a) Series I Debt Securities up to ₹ 4,000.00 millions; and
(b) Series II Debt Securities up to ₹ 2,500.00 millions.

The Trust has also issued 50,000 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities (Series III) pursuant to the DSTD dated 15 January 2024 having original face value of ₹ 100,000/- (Rupees One Lakh only) each, aggregating up to ₹ 5,000.00 millions (Rupees five thousand millions only).

The Trust has also availed another rupee term-loan facilities ('RLA2') from Axis Bank Limited, ICICI Bank Limited and State Bank of India and India Infrastructure Finance Company Limited for an aggregate sanctioned amount of ₹ 19,000.00 millions pursuant to rupee loan agreement dated 30 October 2023 (further amended on 04 November 2024) out of which Trust has received disbursement of ₹ 16,048.43 millions from lenders as on 31 March 2025.

The Trust has also availed another rupee term-loan facilities ('RLA3') from Punjab National Bank, Axis Bank Limited, State Bank of India, ICICI Bank Limited, IndusInd Bank Limited, India Infrastructure Finance Company Limited and HDFC Bank Limited for an aggregate sanctioned amount of ₹ 49,500.00 millions pursuant to rupee loan agreement dated 14 January 2025, which has not been disbursed as on 31 March 2025.

The Trust has also availed another rupee term-loan facilities ('RLA4') from Axis Bank Limited, Punjab National Bank and State Bank of India for an aggregate sanctioned amount of ₹ 33,000.00 millions pursuant to rupee loan agreement dated 14 January 2025 out of which Trust has received disbursement of ₹ 12,000.00 millions from lenders as on 31 March 2025.

The Trust has furnished performance security in the form of bank guarantee to the National Highway Authority of India ('NHAI') in a sum of ₹ 173.65 millions as security for due and faithfull performance of its obligations.

ii) **Refer calculation of Historical Debt Service Coverage Ratio for the period from 01 April 2024 to 31 March 2025 below:**

Below are the calculations of the Historical Debt Service Coverage Ratio:

(₹ in millions)

Particulars	For the twelve months period ended 31 March 2025 (refer note 1)																
	DBCPL (refer note 15)	NBPL (refer note 15)	GEPL (refer note 15)	JPEPL (refer note 15)	UEPL (refer note 15)	SEPL (refer note 15)	UTPL (refer note 15)	GSHPL (refer note 15)	ANHPL (refer note 15)	RAHPL (refer note 15)	STPL (refer note 15)	BETPL (refer note 15)	RBPL (refer note 15)	NTEPL (refer note 15)	Trust	Total	Remarks
Total cash available (A)*																	
Add: Cash revenue	2,524.14	490.49	1,803.33	717.29	1,864.01	497.40	1,398.88	613.51	1,247.09	714.50	3,577.80	1,969.33	32.57	714.71	-	18,165.05	Refer note 4
Add: Other cash income	44.16	15.50	15.08	11.35	82.09	204.68	11.13	13.22	16.51	12.26	76.84	114.14	2.56	180.51	208.87	1,008.90	Refer note 5
Add: Funds from Investors and Non - Convertible Debenture holder's in the Trust for general corporate purpose utilised for debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97.86	97.86	Refer note 6
Less : Premium paid (including current and deferred) to the Authority, if any, which was due during the trailing 12 months in accordance with the provisions of the Concession Agreement	-	-	(133.92)	(17.60)	-	-	-	-	-	-	-	-	-	-	-	(151.52)	Refer note 7
Less: Cash operating expenditure	(318.87)	(297.52)	(164.62)	(181.59)	(244.01)	(301.23)	(245.71)	(157.87)	(510.92)	(236.29)	(496.10)	(376.76)	(49.80)	(59.16)	(258.12)	(3,898.57)	Refer note 8
Less: Major maintenance expenses incurred during the period, which have not been met from the Major Maintenance Reserve (MMR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 11 and 12
Less: Cash taxes	(174.13)	(9.34)	-	-	(134.56)	(4.35)	-	(2.43)	-	-	(404.63)	(61.23)	-	-	(53.18)	(843.85)	Refer note 9
Less: MMR created or to be created during the testing period as per Base Case Business Plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 10
Total (A)	**2,075.30**	**199.13**	**1,519.87**	**529.45**	**1,567.53**	**396.50**	**1,164.30**	**466.43**	**752.68**	**490.47**	**2,753.91**	**1,645.48**	**(14.67)**	**836.06**	**(4.57)**	**14,377.87**	
External debt obligation (B)- (for the trailing 12 months, excluding any bullet payments, which have been refinanced during the period) (refer note 13)																	
Add : Interest/ coupon payments on external debt	-	-	-	-	-	-	-	-	-	-	-	1.60	16.18	-	2,832.58	2,850.36	Refer note 13 and 14
Add: any fees paid on external debt	-	-	-	-	-	-	-	-	-	-	-	7.05	18.20	-	112.35	137.60	
Add: principal paid on external debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	781.81	781.81	
Total (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8.65**	**34.38**	**-**	**3,726.74**	**3,769.77**	
DSCR : Total cash available (A) / External debt obligation (B)																**3.81**	

*** total cash available represents cash available for servicing debt securities, additional debt, any debt under permitted indebtedness for the trailing 12 (twelve) months.**

(this page has been intentionally left blank)

SIGNED FOR IDENTIFICATION PURPOSES

Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes :

1 **The Statement has been prepared on the basis of:**

i) audited standalone and consolidated financial statements of the Highways Infrastructure Trust ("Trust") and financial statements of the subsidiaries, underlying books of accounts and other records maintained by the Trust for the year ended 31 March 2025 in case of DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL, UTPL, RAHPL, ANHPL, GSHPL, STPL; and

ii) from date of acquisition of new subsidiaries i.e. 13 June 2024 to 31 March 2025 in case of BETPL, 20 February 2025 to 31 March 2025 in case of RBPL and from date of incorporation from 14 October 2024 to 31 March 2025 in case of NTEPL.

Basis of preparation is listed below:

i) The figures for the year ended 31 March 2025 of audited standalone and consolidated financial statement of the Trust are audited by the statutory auditor's of the Trust and for the subsidiaries, the same are audited by their respective auditors.

ii) The figures for the period 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL are audited by their respective auditor's of the subsidiaries.

The figures are computed as total of following:

The above figures for the period from 13 June 2024 to 31 March 2025 in case of BETPL and 20 February 2025 to 31 March 2025 in case of RBPL, are computed as balancing figures between the figures of financial statement of the subsidiaries for the year ended 31 March 2025 and figures of financial statement of the subsidiaries for the period ended 12 June 2024 in case of BETPL and 19 February 2025 in case of RBPL.

2 As per the terms of Debt Security Trust Deed and Rupee Loan Agreement, DSCR calculation is based on the cash available for debt servicing and debt servicing obligations for the trailing 12 months period. Therefore, the numbers reported above are considered from 01 April 2024 till 31 March 2025 in case of Trust, DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL, UTPL, RAHPL, ANHPL, GSHPL, STPL and from date of acquisition/incorporation for the newly acquired/incorporated subsdiaries i.e. 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

(this space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES

HIGHWAYS INFRASTRUCTURE TRUST

Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

3 The figures reported above are after considering the impacts of all eliminations of inter SPV / Trust transactions.

4 Cash Revenue represents revenue from operations from the statement of Profit and Loss of the Trust and its subsidiaries, actual amount of annuity received from Concession authority in case of (i) SEPL and (ii) NBPL, actual amount of annuity received, interest income on reducing balance cost, operation and maintenance receipt from Concession authority and GST claim on annuity in case of (i) ANHPL, (ii) GSHPL and (iii) RAHPL; and excludes interest income receivable on annuity from concession authority, modification gain on annuity, revenue from operations and maintenance of road and revenue from major maintenance for the period from 01 April 2024 to 31 March 2025 in case of SEPL, NBPL, ANHPL, GSHPL and RAHPL being notional in nature. Further, revenue from operations of standalone Trust doesn't includes income generated from inter SPV transactions, considering the numbers reported above are after eliminations.

5 Other cash income represents other income from the statement of Profit and Loss of the Trust and its subsidiaries excluding gain on reduction of investment in equity of SPVs, fair value gain of mutual fund (mark-to-market gain), sundry balances written-back being notional in nature, income from change in deferred consideration, compensation of claim revenue, unwinding of discount on provisions and financial liabilities carried at amortised cost written back and excess provisions written back for the period from 01 April 2024 to 31 March 2025, from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

6 The total cash available includes the amount raised from right issue of units from the unitholder's of the Trust as General Corporate Purpose and partial or full repayment of the outstanding debt of the Target SPV ("ANHPL") purpose, that are utilized for the purpose of repayment of Interest/ coupon payments, principal and fees paid on external debt.

7 Premium paid (including current and deferred) to the authority represents concession premium due to National Highway Authority of India ("NHAI") / Public Works Department ("PWD") for the period 01 April 2024 to 31 March 2025.

8 Cash operating expenses represents employee benefit expenses, operating expenses and other expenses from the statement of profit and loss of the Trust and its subsidiaries excluding loss on investments carried at fair value through profit or loss (mark-to-market loss), provision against major maintenance obligation, balance written-off being notional in nature, provision for handover cost of project, modification loss, loss on sale of fixed assets for the period from 01 April 2024 to 31 March 2025 from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL. Further, finance cost has not been considered in order to calculate total cash available for debt servicing.

9 Cash Taxes represent current tax expense as per statement of profit and loss of the Trust and its subsidiaries for the period from 01 April 2024 to 31 March 2025, from 13 June 2024 to 31 March 2025 in case of BETPL, 14 October 2024 to 31 March 2025 in case of NTEPL and 20 February 2025 to 31 March 2025 in case of RBPL.

10 MMR maintained at NBPL, JPEPL and UTPL are out of the funds infused by the Trust into the SPVs using debt facilities availed at Trust level. Further MMR is also maintained by way of earmarked committed sanctioned undrawn debt facility vide RLA3 and RLA4 at Trust level. In both the cases, it is not from the cash flows generated during the period of the SPVs/Trust, hence the same is not considered while calculating total cash available for calculation of historical debt service coverage ratio.

11 Major maintenance expenses for period from 01 April 2024 to 31 March 2025 incurred were within the MMR reserve created in case of DBCPL, NBPL, UTPL, UEPL, GRICL and STPL. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations and hence not considered in the calculation of DSCR.

(this space has been intentionally left blank)



SIGNED FOR IDENTIFICATION PURPOSES



Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

12 Major maintenance expenses for period from 13 June 2024 to 31 March 2025 in case of BETPL incurred were within the MMR reserve created. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations of the SPVs and hence not considered in the calculation of DSCR.

13 The external debt obligations considered in the DSCR working includes amounts paid by the Trust in relation to the RLA1, RLA2 and NCDs for the trailing 12 months, in terms of the RLA and DSTD and the amount paid for repayment of term loan, interest payable thereon and pre-payment charges by the subsidiaries before refinancing of their availed debt by the Trust. Further, net redemption amount of ₹ 252.63 millions for Rated, listed and Unsecured Commercial Papers (CP) of Series-I and Series-II issued by the Trust (Redemption value ₹ 2,750.00 millions each for Series-I and Series-II less issue proceeds of new CP issued under Series-II for ₹ 2,698.20 millions and issue proceeds of new CP issued under Series-III amounting to ₹ 2,549.17 millions) is considered under principal paid on external debt.

14 Interest/ coupon payments on external debt and principal paid on external debt represents interest accrued and principal paid on debt obtained from external parties for the period from 01 April 2024 to 31 March 2025. Further any fees paid on external debt represents processing fees on availment of RLA4 by the Trust and prepayment penalty on repayment of borrowings by the subsidiaries during the period from 01 April 2024 to 31 March 2025. Further any interest payment, principal payment or write - off of processing fees at the time of refinancing of borrowings have not been considered considering there is no impact on cash flows pursuant to the refinancing arrangement entered between the Trust and SPVs.

15 (i) DBCPL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL- Nirmal BOT Private Limited; (iv) JPEPL - Jodhpur Pali Expressways Private Limited; (v) SEPL- Shillong Expressways Private Limited; (vi) UEPL - Ulundurpet Expressways Private Limited; (vii) UTPL - Udupi Tollway Private Limited; (viii) ANHPL- Ateli Narnaul Highway Private Limited ; (ix) GSHPL- Gurgaon Sohna Highway Private Limited; (x) RAHPL- Rewari Ateli Highway Private Limited; and (xi) STPL - Swarna Tollway Private Limited; (xii) BETPL - Bangalore Elevated Tollway Private Limited; (xiii) NTEPL - North Telangana Expressway Private Limited and (xiv) RBPL - Rewari Bypass Private Limited (herein referred to as "project SPVs" or "SPVs" or "subsidiaries").

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as the Investment Manager of Highways Infrastructure Trust)

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924
Place: Mumbai
Date: 16 May 2025

Dr. Zafar Khan
Executive Director and Joint CEO
DIN: 07641366
Place: Mumbai
Date: 16 May 2025

Abhishek Chhajer
Chief Financial Officer
Place: Mumbai
Date: 16 May 2025

Gajendra Mewara
Compliance Officer
Membership number: ACS 22941
Place: Mumbai
Date: 16 May 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

SIGNED FOR IDENTIFICATION PURPOSES

HIGHWAYS INFRASTRUCTURE TRUST

HIGHWAYS
INFRASTRUCTURE TRUST

Highway to Sustainable Growth



ANNUAL REPORT 2022-23

HIGHWAYS
INFRASTRUCTURE TRUST

Highway to Sustainable Growth

Highway to Sustainable Growth!

Highways Infrastructure Trust (the **"Trust"**) is one of India's foremost highways Infrastructure Investment Trust (InvIT) operating six road assets aggregating to 1,710 lane-kms in six states. Our stable, dependable and growing business is characterised by a portfolio of high-quality highway assets with stabilised income streams and inherent growth opportunities interlinked to India's growth story.

Anchored on our operation and management skills, focus on sustainability and sound governance practices, we are uniquely placed to capitalise on the opportunities in India's highways sector. Today, our portfolio benefits from the rising demand for high-quality highways catalysed by a pick-up in post-COVID mobility through the resumption of tourism, business and commerce. With our deep understanding of the sector, together with the support from an eminent sponsor, we are well-placed to cement our credentials as a trusted asset manager.
This apart, our local expertise, alongwith our purposeful action on innovation, ESG and sustainability, we are poised to deliver long-term value to our unitholders and other stakeholders.



Further information can be found online by visiting *www.highwaystrust.com*

Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding the Trust's expected financial position and results of operations, business plans and prospects, and are generally identified by forward-looking words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will' or other similar words. Forward-looking statements are contingent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

INSIDE THIS REPORT

CORPORATE OVERVIEW

02 Corporate Information
04 Chief Executive Officer's Message
06 Brief Profile of the Directors of the Investment Manager

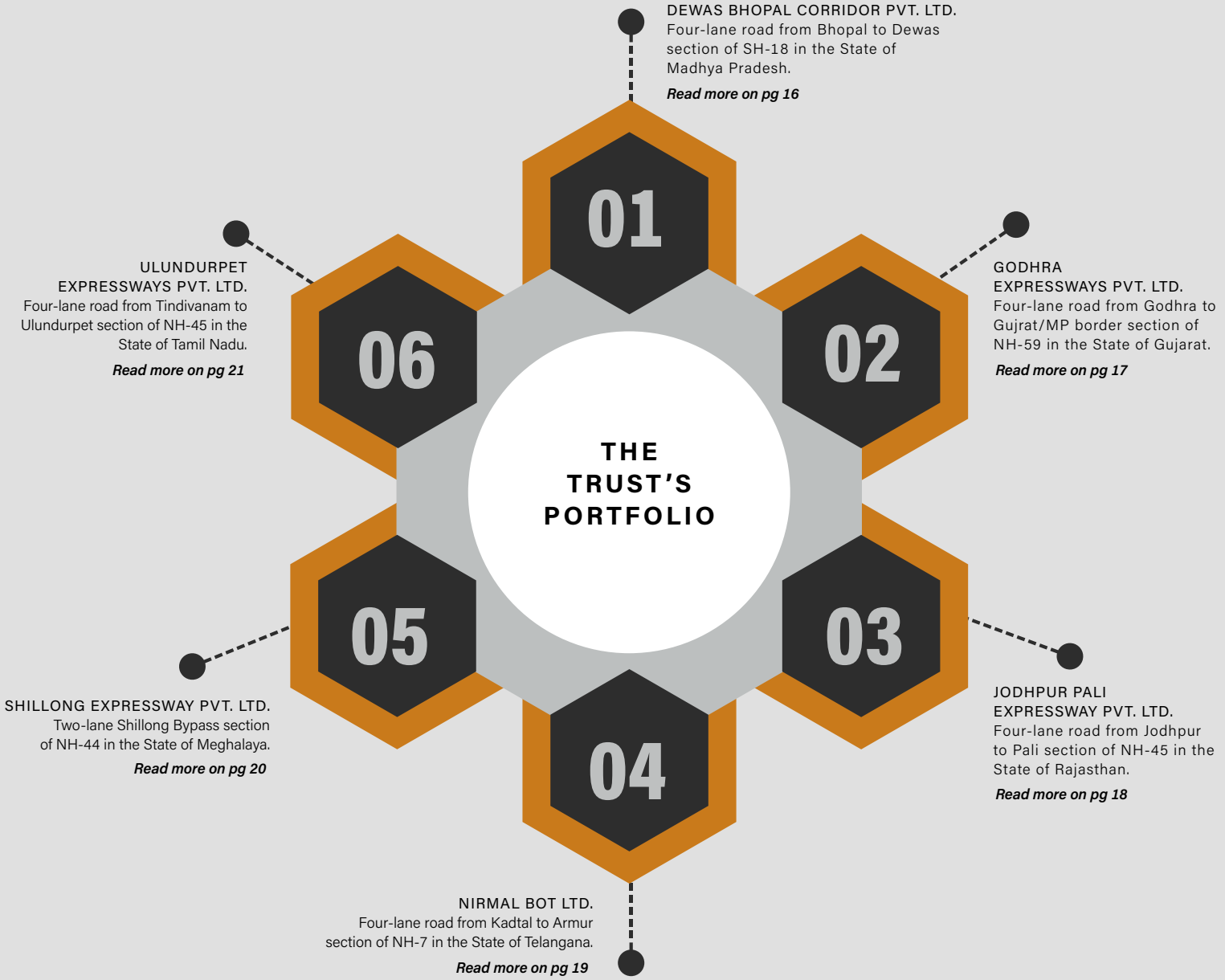
MANAGEMENT REPORTS

08 Investment Manager's Brief Report on the Activities of the Trust
09 Management Discussion and Analysis
13 Overview of the Asset Portfolio
22 Awards and Accolades
23 Environment, Social and Governance (ESG)
29 Corporate Social Responsibility (CSR)
33 Summary of Valuation Report
34 Details of Changes During the Year
50 Policies of the Board of Directors of the Investment Manager in Relation to the Trust
52 Unit Price Performance and Distributions
54 Details of Material Litigations
58 Risk Factors
73 Credit Ratings
74 Related Party Transactions
75 Other Mandatory Disclosures
78 Secretarial Audit Report

FINANCIAL STATEMENTS

96 Audited Standalone Financial Statements
133 Audited Consolidated Financial Statements

203 **Notice of Annual General Meeting**



CORPORATE INFORMATION

Highways Infrastructure Trust

2nd Floor, Piramal Tower
Peninsula Corporate Park, Lower Parel
Mumbai - 400 013, Maharashtra, India
SEBI registration number: IN/InvIT/21-22/0019
Date of registration with the SEBI: December 23, 2021

Website: www.highwaystrust.com
Tel: +91 7506333447
E-mail: Compliance.highwaysinvit@highwayconcessions.com

Correspondence Address

Unit No. 316 & 317, C Wing, 3rd Floor, Kanakia Zillion, LBS Marg, BKC Annexe,
Mumbai - 400 070, Maharashtra

Board of Directors

NAME OF MEMBER	DESIGNATION
Mr. Hardik Bhadrik Shah	NON-EXECUTIVE DIRECTOR
Ms. Ami Momaya	NON-EXECUTIVE DIRECTOR
Mr. Neeraj Sanghi	CEO CUM WHOLE-TIME DIRECTOR
Mr. Janakiraman Subramanian	INDEPENDENT DIRECTOR
Ms. Sudha Krishnan	INDEPENDENT DIRECTOR
Mr. Manish Agarwal	INDEPENDENT DIRECTOR

Key Managerial Team

Mr. Neeraj Sanghi
CHIEF EXECUTIVE OFFICER CUM WHOLE-TIME DIRECTOR

Mr. Narayanan Doraiswamy
CHIEF FINANCIAL OFFICER

Dr. Zafar Khan
CHIEF OPERATING OFFICER

Mr. Gaurav Chandna
HEAD - STRATEGIC FINANCE

Ms. Meghana Singh
GENERAL COUNSEL

Compliance Officer

Ms. Kunjal Shah
COMPANY SECRETARY AND COMPLIANCE OFFICER
Tel: +91 7506333447
E-mail: kunjal.shah@highwayconcessions.com

InvIT Trustee

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound
Pandurang Budhkar Marg, Worli
Mumbai - 400 025
Maharashtra, India
Contact Person: Mr. Anil Grover

E-mail: debenturetrustee@axistrustee.in
Tel: +91 22 6230 0451

Securities Information

Units listed on National Stock Exchange (NSE)
Scrip Symbol: HIGHWAYS
ISIN: INE0KXY23015

Debentures listed on BSE Limited (BSE)
Scrip Code: 974227
ISIN: INE0KXY07018

Scrip Code: 974228
ISIN: INE0KXY07026

Registrar and Unit Transfer Agent

Link Intime India Private Limited
247 Park, C-101
1st Floor, L B S Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India

Tel: +91 22 4918 6000
E-mail: ajit.patankar@linkintime.co.in

SEBI registration number: INR000004058
Contact person: Ajit Patankar
Website: www.linkintime.co.in
Investor grievance e-mail: bonds.helpdesk@linkintime.co.in

CORPORATE OVERVIEW (CONTD.)

Bankers/Lenders

Axis Bank Limited

ICICI Bank

State Bank of India

Statutory Auditors

Walker Chandiok & Co LLP
Plot No. 19A, 2nd floor
Sector - 16A, Noida - 201 301
Uttar Pradesh, India
ICAI Firm registration number: 001076N/N500013

Tel: +91 12 0485 5999
E-mail: Manish.Agrawal@WalkerChandiok.in

Investment Manager

Highway Concessions One Private Limited
316-317, 'C' Wing, Kanakia Zillion, L. B. S. Road
BKC Annex, Kurla (W), Mumbai - 400 070
CIN No.: U45200MH2010PTC208056

Website: www.highwayconcessions.com
Tel: +91 22 6107 3200
Fax: +91 22 6107 3201
E-mail: info@highwayconcessions.com

Project Manager

HC One Project Manager Private Limited
Registered Office: 309, 'C' Wing
Kanakia Zillion, L. B. S. Road
BKC Annex, Kurla (W), Mumbai - 400 070
CIN No.: U74140MH2022PTC390762

Tel : +91 22 6107 3200
Fax: +91 22 6107 3201
E-mail: info@highwayconcessions.com

VALUER

Mr. S. Sundararaman
5B,"A" Block, 5th Floor
Mena Kampala Arcade
New #18 & 20, Thiagaraya Road
T. Nagar, Chennai – 600 017
Registration no.: IBBI/RV/06/2018/10238

Tel: +91 044 2815 4192
E-mail: chennaissr@gmail.com

CHIEF EXECUTIVE OFFICER'S MESSAGE



"In view of the sound financial performance of the project portfolio, the Trust has undertaken a cumulative distribution of INR 16.21 per unit since listing."

Mr. Neeraj Sanghi
CEO CUM WHOLE-TIME DIRECTOR

Dear Unitholders,

I am delighted to present to you the first Annual Report of Highways Infrastructure Trust (the **"Trust"**) post listing of the Trust on the National Stock Exchange in August 2022. Within the first few months of our listing, we have established a comprehensive and robust governance framework. We have demonstrated the strength of our team and project portfolio by undertaking cumulative distribution of INR 16.21 per unit since listing. This report showcases our accomplishments for the first year and is a testament to our firm commitment of delivering stable, sustainable and accretive growth to our unitholders

InvITs are vehicles to bundle infrastructure (roads in our case) assets with a view to provide consistent cash flows along with a trajectory towards capital appreciation. Currently, the Trust's portfolio consists of six project SPVs (4 toll roads and 2 annuity roads) having an aggregate length of 452 kms (1,710 lane-kms) and located across six States in India. For the year 2022-23, our project portfolio has delivered revenue from operations of INR 6,152.35 million.

Post transfer of the initial projects into the Trust, we have continued to introduce financing efficiencies by successfully refinancing the debt placed at the SPV level from the debt availed at the Trust level. We have used a combination of term loans and bonds to optimise the terms and tenor of financing. The consolidated net debt to enterprise value as on 2022-23, stands at ~23.6%, giving ample headroom to fuel the next leg of our growth journey.

To build upon the current portfolio, the Trust (through its Investment Manager) has been actively assessing the acquisition of road projects. I am pleased to share that the Trust has executed share purchase agreements for acquiring five additional projects, four assets under the Hybrid Annuity Model (**"HAM"**) and one project under the Design, Build, Finance, Operate and Transfer (**"DBFOT"**) toll model. Overall, these acquisitions will add ~188 km to the portfolio across two new States viz. Haryana and Karnataka.

A Sense of India Opportunity

Highways have been an area of focus for the Government of India ("**GoI**") for the past two decades. GoI is cognisant of the correlation between highway development and economic/social growth. The pace of national highways (**"NH"**) construction has increased consistently between 2014-15 and 2021-22 due to the systematic push through corridor-based NH development approach. In 2014-15, the pace of NH construction was about 12 km/day, which increased to about 29 km/day in 2021-22.

As per the published detailed demand for grants from the Ministry of Road Transport and Highways ("MoRTH"), the total expenditure of MoRTH in 2023-24 is expected to be INR 2,704.35 bn. This is 25% higher than the estimates submitted by MoRTH for 2022-23. Out of this, the highest expenditure (60% of the total expenditure) is towards road building by the National Highways Authority of India (**"NHAI"**). In 2023-24, NHAI has been allocated a grant of INR 1,622.07 bn (vis-à- vis INR 1,416.06 bn in the year 2022-23).

Despite the focus on roads, the last decade saw reduced participation of the private sector in primary road development, and most road development allocation was under the HAM model, a structure more suited for contractors and developers. Allocation under the Toll Operate Transfer (**"TOT"**) and Build Operate Transfer – Toll (**"BOT"**) models has been fairly limited. However, we anticipate this trend to change, given there have been drastic improvements in the forecast of opening traffic. NHAI has taken active steps to address land acquisition

CHIEF EXECUTIVE OFFICER'S MESSAGE (CONTD.)

challenges, and there is increased lender interest in providing debt financing to the road sector.

In fact, under the National Monetisation Pipeline (**"NMP"**), 27% of the aggregate asset pipeline earmarked for monetisation over 2022-25 is proposed from the roads sector (aggregating to ~26,700 km).

Overall, we continue to remain optimistic about growth, both through bids under TOT model and through acquisition of developed projects, and expect the sector to provide robust opportunities for the Trust to enhance unitholder returns over the long-term.

Our Focus and Commitment to Operational Excellence

Our operational ideology includes early deployment of technology to usher additional efficiencies. For example, in our portfolio today, we are processing 0.23 mn transactions per day with Electronic Toll Collection ("ETC") penetration roughly at 97% of the toll revenue. In fact, while NHAI had instructed implementation of the ETC system in the year 2016, UEPL project achieved this in the year 2015 itself.

The respective teams of the Investment Manager and the Project Manager are consistently working towards deployment of several other technologies for road maintenance, revenue assurance, vehicle management, and remote tolling management. Most of these are homegrown and are a result of the respective teams' rich experience in the sector. An example of our innovation is our new in-house software, "Road Asset Management Portal" (**"RAMP"**), which utilises a GPS-based technology to monitor operations and maintenance to ensure quick identification of any maintenance requirements, while also tracking progress of the maintenance works. RAMP is aimed at eliminating manual processes of tracking and for enabling quick decision-making. We look forward to reporting on the outcome of this initiative in our subsequent annual reports.

I am proud to report that all our projects are maintained with lifecycle costing approach, wherein preventive maintenance is emphasised to optimise routine and major maintenance. This ensures better road quality and efficient utilisation of capital. Overall, all our projects are marked by smooth riding quality, efficient toll collection, and green cover on the road.

ESG in Action

The experience of our Investment Manager team positions us favourably to align all our assets to a world-class ESG focus and deliver in accordance to the evolving expectations of unitholders, highway users and our regulators. Our sustainable value creation efforts across different facets of road operations and maintenance have been balanced with the needs of the planet and profitability.

While the direct impact on the environment from our highway operations is minimal, we are as concerned about global warming and climate change as any other responsible corporate citizen. We try to contribute to the environment through energy efficiency solutions, such as replacing HPSV lights by LED lights, installing rooftop solar panels on our projects, etc. We have also contributed to the green cover by avenue and median plantation that goes beyond standard regulatory requirements. We also strive to recycle the existing road material or use waste material (plastic and other bio-degenerative materials) while carrying out periodic maintenance.

We believe that as an organisation, we are as good as our employees and one of our key focus area is the development of our people by means of engagement and trainings. The previous financial year saw 4,392 man-hours being spent on trainings across various areas of operations.

Occupational Health and Safety (**"OHS"**) for employees and road safety are key to our social sustainability campaign. We connect with our communities through our mandatory CSR and voluntary support activities. Our CSR initiatives in three distinct areas (we call them **"3Es"**) viz., Education (Our Road Our Lives or OROL), Employment (Skill Centre) and Emergency Support (support extended during COVID). These activities have earned us goodwill with the communities and made us a part of the social fabric.

We recognise the need for a robust and transparent governance system for furthering sustainable, scalable and value-accretive operations across the portfolio managed by us. During the first year of our operations, our focus has been on developing a robust set of policies, and our focus in 2023-24 will be on ensuring implementation and tracking of the same.

We feel that in the future, while our ESG focus may come under greater scrutiny on the transparency and disclosure front, yet we also firmly believe that as a Company truly on the ESG journey, this focus will be rewarded with stakeholder trust.

Vote of Thanks

During 2022-23, the Trust excelled in performance in all areas, viz., refinancing, unitholder distributions and operations & management with the help of my efficient and committed colleagues. We are now looking for sizeable growth to come our way in 2023-24, given the attractive pipeline of road projects.

I would like to acknowledge the contribution of our Board of Directors, employees, lenders, unitholders, regulators and all other stakeholders for their trust and belief in us. I am confident that we shall continue to accelerate towards enhanced value creation for our unitholders.

We look forward to your continued cooperation and guidance in our endeavours.

Sincerely,

Neeraj Sanghi

CEO CUM WHOLE-TIME DIRECTOR

BRIEF PROFILE OF THE DIRECTORS OF THE INVESTMENT MANAGER



Mr. Hardik Bhadrik Shah
NON-EXECUTIVE DIRECTOR

Mr. Hardik Shah is a Non-Executive Director on the Board of the Investment Manager since December 17, 2021. Mr. Shah joined KKR in 2018 and is a Partner in the Asia-Pacific Infrastructure team. He is responsible for infrastructure investments in South Asia.

Mr. Shah began his career at Macquarie Group in Sydney, where he spent more than 10 years across their Sydney and Mumbai offices and was involved in building their India infrastructure business. More recently, he led Brookfield's India business and was responsible for building its team and presence. Mr. Shah has led ~USD 5 bn of transactions in India across various infrastructure sectors, such as telecom towers, toll roads, airports, energy transportation and renewable energy.

Mr. Shah holds a postgraduate degree from S.P. Jain Institute of Management & Research (Mumbai) and is a CFA Charterholder.



Ms. Ami Momaya
NON-EXECUTIVE DIRECTOR

Ms Ami Momaya is a Non-Executive Director on the Board of the Investment Manager since January 24, 2022. Ms. Momaya joined KKR in 2022 and is a senior member of the Asia-Pacific Infrastructure team. She is responsible for infrastructure investments in India.

Ms. Momaya began her career at Morgan Stanley, where she spent 17 years across their India and New York offices and was instrumental in building their India infrastructure business. As part of Morgan Stanley's infrastructure business, she led transactions across transportation, logistics and renewable energy. Prior to joining the Infrastructure Fund in 2008, Ms. Momaya worked at Morgan Stanley's Investment Banking Division in New York where she focused on buyouts, mergers & acquisitions, initial public offerings, and financing in services, outsourcing and payment processing sectors.

Ms. Momaya holds a Bachelor of Commerce degree from Mumbai University and a postgraduate degree from the Narsee Monjee Institute of Management Studies (Mumbai).



Mr. Neeraj Sanghi
CEO CUM
WHOLE-TIME DIRECTOR

Mr. Neeraj Sanghi joined Highway Concessions One (HC1) as its Chief Executive Officer (CEO) in 2016. He has also been a Director on the Board of HC1 (Investment Manager of InvIT) post acquisition of HC1 by KKR.

He has ensured smooth operations, maintenance, financing and transfer of project SPVs for the last six-and-a-half years. He was instrumental in forming the Highway Operators Association of India (HOAI), an advocacy forum of fund-based road operators. Significant prior tenures of Mr. Sanghi have been with the Essar Group and Total for around 12 years each, where he developed and managed projects in the infrastructure and oil & gas sectors viz., road, sewage treatment, LNG/ LPG storage, port development, etc.

Mr. Sanghi holds a degree in Electrical Engineering from Delhi College of Engineering, MBA from Faculty of Management Studies, Delhi, and MA (Sustainable Development) from Staffordshire University, UK.

BRIEF PROFILE OF THE DIRECTORS OF THE INVESTMENT MANAGER (CONTD.)



Mr. Janakiraman Subramanian
INDEPENDENT DIRECTOR

Mr. Janakiraman Subramanian is an Independent Non-Executive Director on the Board of the Investment Manager since March 04, 2022. He possesses over 30 years of experience in the road and airport infrastructure sectors, with around 20 years with the Airports Authority of India, and the Government as a key member on major airport privatisation programs.

Mr. Subramanian was also associated with IDPL (L&T group company) in setting up the InvIT platform and is credited with the monetisation of 5 road assets and acquisition of 8 more assets. In 2018, he was appointed as CEO of the InvIT sponsored by L&T, with Canadian Pension Fund and Insurance Fund from Germany as major investors.

Mr. Subramanian has strong credentials in business development and PPP-related matters. He holds a BCom degree from Delhi University and is an Associate Member of ICMAI and is also certified as Independent Director by the Indian Institute of Corporate Affairs.



Mr. Manish Agarwal
INDEPENDENT DIRECTOR

Mr. Manish Agarwal is an Independent Non-Executive Director on the Board of the Investment Manager since September 14, 2022.

He has led several sector-shaping engagements across energy, transport and urban sectors. As a thought leader in infrastructure, he regularly shares insights through articles and discussion papers, including at AskHowIndia.org which he co-founded. He also teaches infrastructure policy and project finance at IIM Kozhikode, IIMC, BITSOM, etc.

Mr. Agarwal studied at BITS Pilani and IIM Calcutta, and has attended training programs at ISB, Harvard and INSEAD. Starting his career at CRISIL, he has 25+ years of experience in advising developers, financiers, governments and regulators in enabling private sector infrastructure investment. He has been the infrastructure sector leader at KPMG and PwC, and represented India on PwC's Global Capital Projects & Infrastructure network during his last stint.



Ms. Sudha Krishnan
INDEPENDENT DIRECTOR

Ms. Sudha Krishnan is an Independent Non-Executive Director on the Board of the Investment Manager since September 14, 2022. She joined the Indian Audit and Accounts Service in 1983. She possesses a Masters degree in Public Administration from George Mason University, Virginia.

Ms. Krishnan retired as Member Finance to the Space Commission and Atomic Energy Commission. She has around four decades of experience in public policy and finance. She has worked on secondment at the Ministry of Finance in different capacities, where she handled diverse portfolios, including World Bank projects.

Ms. Krishnan also served as financial advisor to the Ministry of Urban Development. At the Comptroller and Auditor General office, she led and coordinated the production of several audit reports. As Principal Director (International Cooperation) she was directly responsible for advising and implementing CAG's international obligations.

INVESTMENT MANAGER'S BRIEF REPORT ON THE ACTIVITIES OF THE TRUST

Investment Manager's Brief Report on the Activities of the InvIT for the Financial Year ended March 31, 2023



Highways Infrastructure Trust is registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") on December 23, 2021, having registration number IN/InvIT/21-22/0019.





The Trust was settled by Virescent Infrastructure Investment Manager Private Limited, the erstwhile investment manager of the Trust (acting as the settlor) on the instructions of Galaxy Investments II Pte. Ltd., the sponsor of the Trust ("Sponsor") as a contributory, determinate and irrevocable Trust under the provisions of the Indian Trusts Act, 1882, in Mumbai, India.

The Trust's principal investment objective is to conduct the activity as an Infrastructure Investment Trust under the InvIT Regulations. The Trust is permitted to undertake investments in any manner permissible under, and in accordance with, the InvIT Regulations and applicable laws, including in such holdcos and/or SPVs, securities in India as permitted under the InvIT Regulations.

The Sponsor is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co Inc. As on date, the Sponsor is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd.

For more details on the projects, please refer to the section on "Overview of the Asset Portfolio" on pg 13.

MANAGEMENT DISCUSSION AND ANALYSIS

India's infrastructure opportunity

The Economic Survey of India 2022-23, identifies infrastructure investment to be critical for the overall growth of the Indian economy. Reflecting this, under Budget 2023-24, capital investment outlay for infrastructure has been increased by 33% to INR 10 lakh crore (US$ 122 billion), which would constitute 3.3% of the gross domestic product and almost three times the outlay of 2019-20. The Union Government of India (the "Union Government") has also announced the establishment of the Infrastructure Finance Secretariat to enhance opportunities for private investment in infrastructure which will assist all stakeholders in facilitating private investment in infrastructure, including railways, roads, urban infrastructure, and power. Overall, the Union Budget 2023-24 reflects continuing strong commitment of the Government to boost economic growth by investing in infrastructure development, evident in the increase in capital expenditure by 37.5 per cent over the revised estimates of 2022-23.

Specifically for the roads sector, there has been an increase in the construction of National Highways (NH)/roads over time, with 10,457 kms of roads constructed in 2021-22, as compared to 6,061 km in FY 2015-16. In 2022-23 (until October 2022), 4,060 kms of NH/roads were constructed, which was around 91 per cent of the achievement in the corresponding period of the previous financial year. Total budgetary support for investment in the sector has been increasing rapidly over the last four years and stood at around INR 1.4 lakh crore during 2022-23 (as of 31 October 2022).

(Source: Economic Survey of India).

Our Growth Trajectory

Dec, 2021

The Sponsor acquired 100% control in 6 project SPVs from GIP

Annuity
- NBL
- SEPL

Toll
- UEPL
- DBCPL
- GEPL
- JPEPL

Aug, 2022

Transfer from the Sponsor to the Trust under InvIT Structure on August 24, 2022

NSE admitted listing of units of the Trust (issue size of INR 4,155 mn)

Sept, 2022

BSE admitted listing of debentures of the Trust (issue size of INR 6,500 mn)

Nov, 2022

Change of Investment Manager of the Trust from Virescent Infrastructure Investment Manager Private Limited to Highway Concessions One Private Limited and change of Project Manager from Virescent Renewable Energy Project Manager Private Limited to HC One Project Manager Private Limited

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

1. Industry

The highways sector has been the mainstay of infrastructure development in India for more than two decades. Realising the importance of highway development in connecting various parts of the country and providing both direct and indirect socio-economic benefits, government thrust on the sector has increased significantly over the last few years. Project execution currently is at an all-time high with more than 30 kms per day of highways construction.

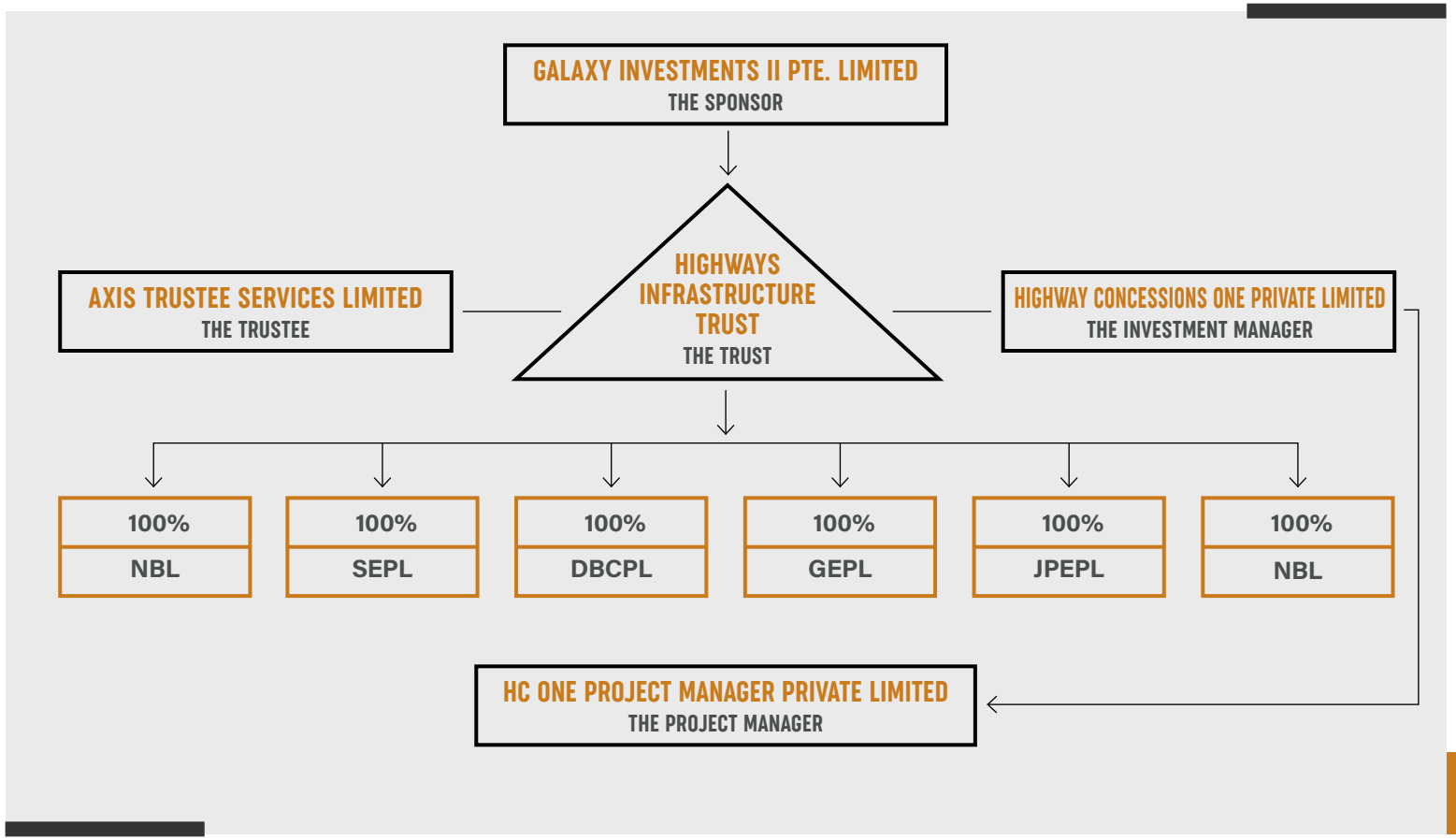
Ministry of Road Transport and Highways (MoRTH) and National Highways Authority of India (NHAI) are adopting a multipronged approach to increase the pace of roads construction through development of highways, economic corridors and logistics parks under Bharatmala Pariyojna, development of mega expressways connecting major economic centers, and capacity augmentation of existing 2 or 4 lane stretches.

In addition, multiple States have also set aside substantial budgetary allocation to focused highway development bodies for construction of expressways. For example, in Uttar Pradesh, UPEIDA has undertaken development of Agra-Lucknow Expressway, Ganga Expressway, Purvanchal Expressway and Bundelkhand Expressway. In Maharashtra, MSRDC is developing important projects, such as Mumbai-Nagpur Expressway, Mumbai-Pune missing link and, Nagpur-Goa Expressway.

2. InvIT Set-up

The Trust was registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 on December 23, 2021. The Sponsor of the Trust is Galaxy Investments II Pte. Ltd (an entity affiliated to funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc.). The Trust issued units on a private placement basis on August 23, 2023, and listed the units on the National Stock Exchange on August 25, 2022.

3. Structure of the Trust as at March 31, 2023



MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

4. Financing of the Trust

Post listing, the Trust has refinanced all third-party debt at project SPVs and consolidated all the borrowings at the Trust. We have tapped a diversified pool of lenders and have availed INR term loans from scheduled commercial banks and, bonds from mutual funds as well non-banking financial institutions. The Non-Convertible Debentures issued by the Trust have been listed on the Bombay Stock Exchange since September 26, 2022.. We have a healthy mix of floating as well as fixed rate borrowings with maturity ranging from 3 years and 3 months going upto 14 years. Going forward, the Trust shall continue to tap new sources of capital in order to derisk from market uncertainty. Our current consolidated net debt to enterprise value (as per SEBI InvIT Regulations) as at March 31, 2023, stands at ~23.6% which provides us a sufficient debt headroom to fund future acquisitions and improve returns for our unitholders.

5. Our Growth Plans

The Trust's initial formation portfolio comprises of 6 projects reflecting aggregate value of INR 52.40 bn as of March 31, 2023. On the back of robust financial and operational performance of the project portfolio, the Trust has made 4 distributions since listing, aggregating to INR 6.73 bn which is equivalent to INR 16.21 of distribution per unit.

Since listing, the Trust has entered into share purchase agreement(s) for acquisition of five projects (four hybrid annuity and one BOT toll) for a total enterprise value of ~INR 24,000 mn which once acquired will increase the value of assets under management ("AUM") by ~45% over the formation transaction base. With these transactions, toll projects will comprise ~75% of the total portfolio value and balance from annuity/ HAM projects. We continue to seek opportunities which are favourable on a risk-reward basis.

Snapshot of Assets under Acquisition

Name of the target	Concession Type	Location
H.G. Rewari Ateli Highway Private Limited	Hybrid Annuity	Four / Six lane of Rewari Ateli Mandi section commencing from 11.8 Km to 43.5 Km on NH 11 for a stretch of 30. 5 kms
H.G. Ateli Narnaul Highway Private Limited	Hybrid Annuity	Narnaul Bypass (design length 24 km) and four/ six lane of section commencing from Ateli Mandi to Narnaul from 43.445 Km to 56.90 Km (design length 14.0 Km) on NH 11 for a stretch of 40.8 kms
Gurgaon Sohna Highway Private Limited	Hybrid Annuity	Six-lane of section commencing from 11.7 Km to 24.4 Km on NH 248A for a stretch of 12.8 Kms
H.G. Rewari Bypass Private Limited	Hybrid Annuity	Bypass road for a length of 14.4 kms on NH 11
Navayuga Udupi Tollway Private Limited	Toll	Four-lane of road at Kundapur-Surathkal (74.8 km, Section 1) and Mangalore-Kerala border (15.3 km, Section 2)

Over the next couple of years, we expect INR 120 bn of opportunity being available in the highways sector, half of which is likely to be from HAM projects (projects with a total Bid Project Cost "**BPC**" of INR 90 bn are expected to become operational in the next two years) and balance through NHAI's monetisation plan through TOT mode. NHAI's overall monetisation plan is for 26,700 kms of roads which is expected to be valued at INR 1.6 bn, which shall provide a recurring pool of assets for market participants.

6. Details of Revenue During the Year, Project-wise from the underlying Projects

(INR in Million)

Sl. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Ulundurpet Expressways Private Limited ("**UEPL**")	1,640.67	1,287.10
2	Dewas Bhopal Corridor Private Limited ("**DBCPL**")	1,892.08	1,511.12
3	Godhra Expressways Private Limited ("**GEPL**")	1,434.98	1,175.59
4	Jodhpur Pali Expressway Private Limited ("**JPEPL**")	669.72	575.25
5	Nirmal BOT Limited ("**NBL**")	264.61	232.15
6	Shillong Expressway Private Limited ("**SEPL**")	199.40	252.47

Note:

1. Revenue is for the full year ended March 31, 2023 (and not from the date of acquisition of respective project SPVs).
2. Revenue for NBL and SEPL are disclosed as per Ind AS; for other project SPVs only toll income has been considered.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

7. Summary of the Audited Consolidated and Standalone Financial Statements for the year of the Trust

(INR in Million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022 *
Total Income	6,431.07	1,980.09	3,266.89	-
Total Expenditure	5,466.59	1,491.06	777.57	-
Profit before tax and Exceptional items	964.48	489.03	2,489.32	-
Less: Exceptional items	-	-	2,044.59	-
Profit before Tax	964.48	489.03	444.73	-
Less: Provision for Tax				-
Current Tax	225.67	81.95	18.27	-
Deferred Tax	396.82	(41.30)	-	-
Tax of earlier Period	-	-	-	-
Profit after Tax	341.99	448.38	426.46	-
Profit & Loss attributable to:				-
(a) Owners of parent				-
(b) Non-controlling Interest				-
Other Comprehensive Income	0.90	(0.23)		-
Total Comprehensive Income	342.89	448.15	426.46	-
Add: Profit / (loss) at the beginning of the year **	(6,249.66)	(6,697.81)		-
Less: Distribution made during the Year	6,030.00	-	6,030.00	-
Less: One time Share Issue Expense	111.58	-	111.58	-
Less: Transaction cost relating to buy back of Preferance Shares of SEPL	43.18	-		-
Add: Transfer from Security Premium to Retained Earnings pursuant to Capital Reduction in DBCPL	600.09	-		-
Add: Transfer from debenture redemption reserve in NBL and DBCPL	174.91	-		-
Other Comprehensive Income/(loss) for the Period		-	-	-
Balance Carried Forward to Balance Sheet	(11,316.54)	(6,249.66)	(5,715.12)	-

Note:

*The Trust commenced operations from the financial year 2022-23, hence the comparative figures of profit and loss account for the period 2021-22 are not applicable for standalone profit & loss account.

** Retained earnings of Audited Consolidated Financial Statements as on March 31, 2023 have been considered in profit / (Loss) at the beginning of the year as it was difficult to bifurcate cumulative opening profit / (loss) before any adjustments, like transfer from DRR, CRR & transfer to buy back tax, etc.

8. Control Systems and their Adequacy

The Trust has appropriate and sufficient internal control systems in place commensurate with the size and the industry it operates in. The Trust has a well-laid framework of systems, processes, procedures and policies to ensure compliance to statutes and laws, as well as to ensure optimum and sufficient use of resources. All rules, policies, statutes and legislations are strictly followed and adhered to by the Trust.

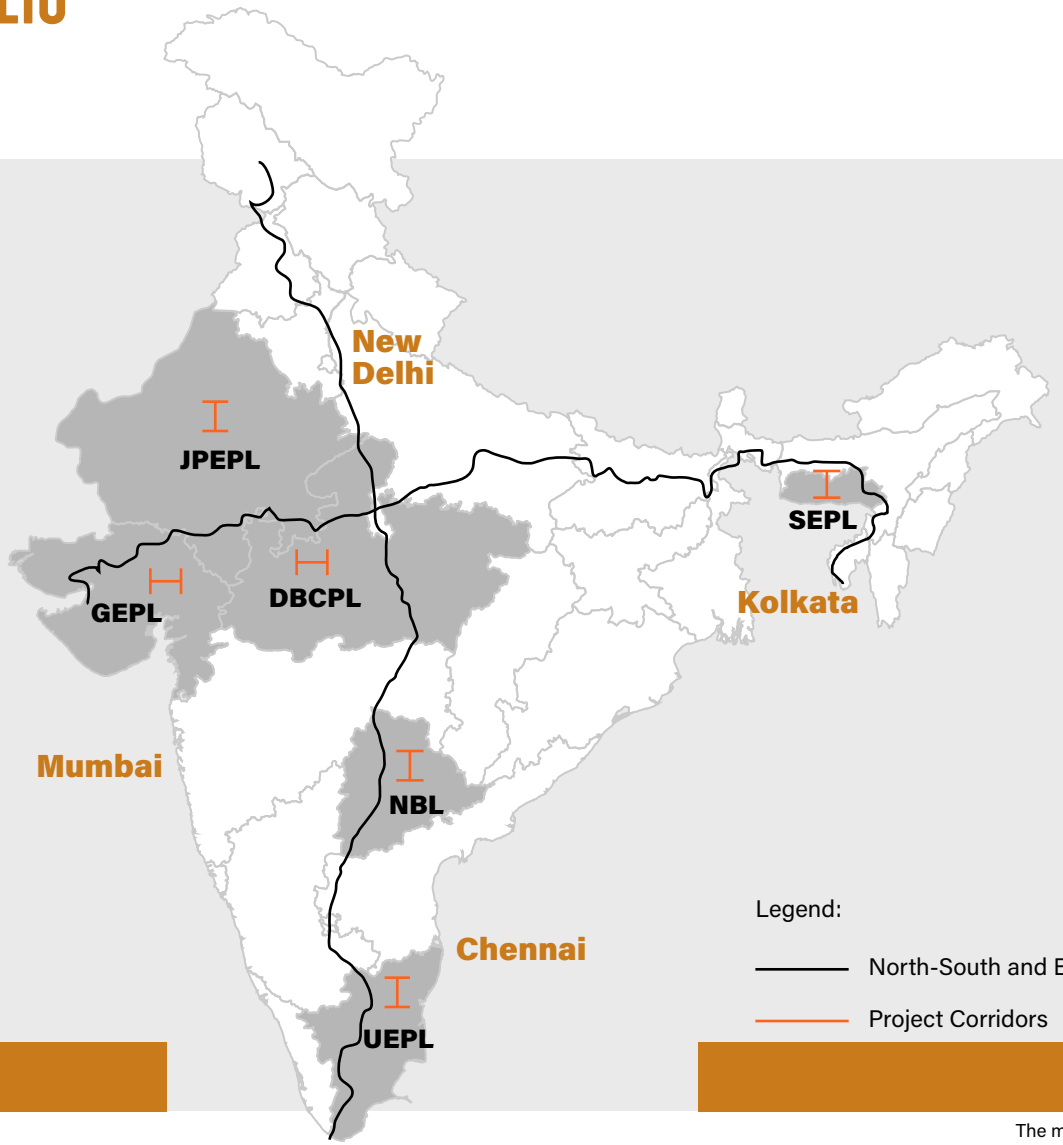
Regular internal audits are undertaken to ensure that responsibilities are executed effectively through an external agency (M/s. KMPG Assurance Consulting Services LLP, internal auditors of the project SPVs') for its project SPVs, to test the adequacy and effectiveness of project SPV's internal control processes and to suggest improvements/ upgrades to the management. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of internal control systems and suggests improvements to further strengthen them.

Additionally, each Project SPV has engaged an external independent auditor, M/s. Mukund M. Chitale & Co. to examine the level of internal control over financial reporting (ICFR).

OVERVIEW OF THE ASSET PORTFOLIO

The Trust currently has a portfolio of 6 (six) project SPVs having an aggregate length of 452 kms (1,710 lane-kms) comprising of operational road projects (2 annuity projects and 4 toll projects) spread across 6 States in India (i.e., Gujarat, Rajasthan, Madhya Pradesh, Meghalaya, Tamil Nadu, and Telangana).





Six Operational
HIGHWAYS PROJECTS

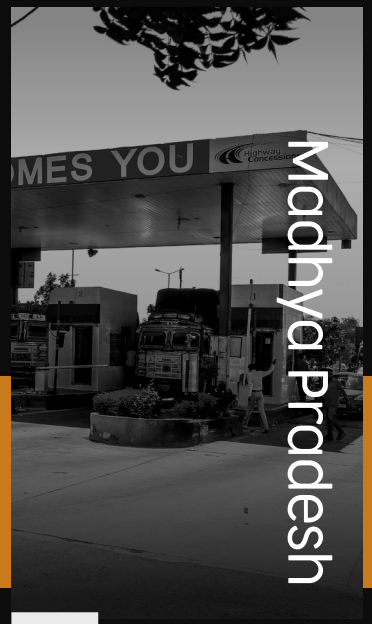
452 kms
(1,710 LANE-KMS)

Six Projects
IN SIX STATES

The map of India does not purport to be the political map of India

Portfolio Snapshot

Collectively referred to as project SPVs



DEWAS BHOPAL CORRIDOR PVT. LTD.
Four-lane road section of SH-18 from Bhopal to Dewas in the State of Madhya Pradesh.

Read more on pg 16



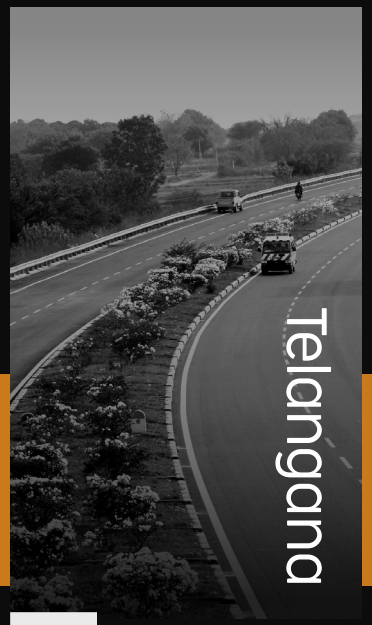
GODHRA EXPRESSWAYS PVT. LTD.
Four-lane road section of NH-59 from Godhra to Gujarat/MP border in the State of Gujarat.

Read more on pg 17



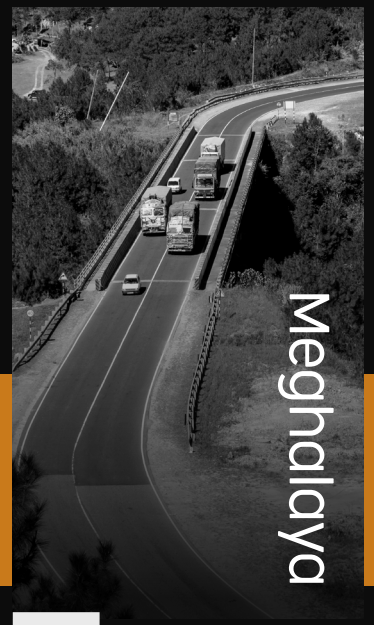
JODHPUR PALI EXPRESSWAY PVT. LTD.
Four-lane road section of NH-65 from Jodhpur to Pali, including Pali Bypass in the State of Rajasthan.

Read more on pg 18



NIRMAL BOT LTD.
Four-lane road section of NH-7 from Kadtal to Armur in the State of Telangana.

Read more on pg 19



SHILLONG EXPRESSWAY PVT. LTD.
Two-lane Shillong Bypass in the State of Meghalaya.

Read more on pg 20



ULUNDURPET EXPRESSWAYS PVT. LTD.
Four-lane road section of NH-45 from Tindivanam to Ulundurpet in the State of Tamil Nadu.

Read more on pg 21

PORTFOLIO SNAPSHOT (CONTD.)

S. NO.	PROJECT SPVs	TYPE OF PROJECT MODEL (ANNUITY OR TOLL)	LENGTH (IN KM)	NO. OF LANES	STATE	AUTHORITY	COD	END OF CONCESSION PERIOD	BALANCE CONCESSION PERIOD
01	Dewas Bhopal Corridor Private Limited	Toll	140.79	4	Madhya Pradesh	MPRDC	February 10, 2009	December 1, 2033	10.70
02	Godhra Expressways Private Limited	Toll	87.10	4	Gujarat	NHAI	October 31, 2013	July 23, 2043*	20.30*
03	Jodhpur Pali Expressway Private Limited	Toll	71.35	4	Rajasthan	PWD, Government of Rajasthan	October 31, 2014	September 14, 2043**	20.50**
04	Nirmal BOT Limited	Annuity	30.89	4	Telangana	NHAI	July 22, 2009	October 29, 2027	4.60
05	Shillong Expressway Private Limited	Annuity	48.76	2	Meghalaya	NHAI	February 28, 2013	February 6, 2026	2.90
06	Ulundurpet Expressways Private Limited	Toll	72.90	4	Tamil Nadu	NHAI	July 23, 2009	February 28, 2027	3.90

MPRDC - Madhya Pradesh Road Development Corporation Limited
NHAI - National Highways Authority of India
PWD: Public Works Department

**In accordance with the GEPL Concession Agreement, the concession period will end on February 28, 2038. However, the concession period shall get extended until July 23, 2043 (by 5.4 years) in view of actual traffic being lower than the target traffic. Such extension has been recommended by the independent engineer and the NHAI project implementation unit but is subject to formal concurrence from the concessioning authority.*

***In accordance with the JPEPL Concession Agreement, the concession period will end on September 14, 2038. However, the concession period may get extended until September 14, 2043 (by 5 years) in view of actual traffic being lower than the target traffic. This extension is yet to be approved by the concessioning authority. This, however, remains subject to actual traffic volume tests to be undertaken on the specified dates in accordance with the JPEPL Concession Agreement.*

DEWAS BHOPAL CORRIDOR PRIVATE LIMITED (DBCPL)



Concession Agreement

A concession agreement has been executed between Madhya Pradesh Road Development Corporation Ltd. (MPRDC) and Dewas Bhopal Corridor Pvt. Ltd. (DBCPL) on June 30, 2007, for reconstruction, strengthening, widening, and rehabilitation of the Bhopal-Dewas section from Km 6.800 to Km 151.600 on State Highway 18* (SH-18) to 4-lane section in the State of Madhya Pradesh on build, operate, transfer (BOT) basis ("DBCPL Concession Agreement").

Under the DBCPL Concession Agreement, the concession has been granted to DBCPL by MPRDC for a period of 25 years, including the construction period. Post construction, DBCPL has the sole and exclusive right to demand, collect and appropriate toll fee payable by the vehicles using the project in accordance with the DBCPL Concession Agreement.

Traffic Volume

The table below sets forth the Annual Average Daily Traffic (AADT) by category of vehicles for fiscals 2023, 2022 and 2021:

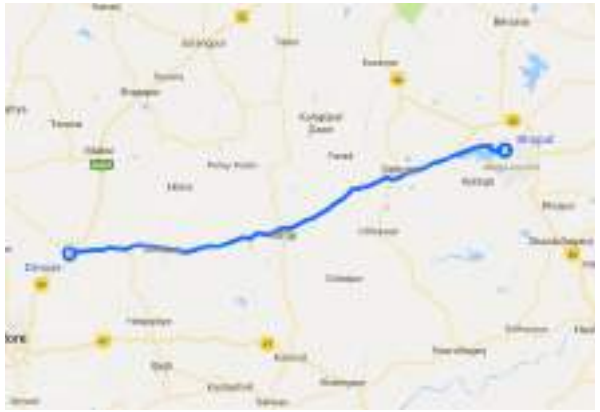
PARTICULARS	FISCAL		
	2023	2022	2021**
Car	9,442	7,536	7,425
LCV/Minibus	1,531	1,578	1,596
Bus	448	447	363
Trucks	854	759	896
MAV of more than 2 axles	1,632	1,346	1,411
AADT	13,906	11,666	11,691

*** Toll operations suspended for 33 days due to Covid-19 in April, 2020 and May, 2020*

Corridor Description

State Highway 18*, of which the project is a part, runs from Bhopal to the border of Gujarat.

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



**Subsequent to signing of the DBCPL Concession Agreement, the State Highway number has been revised to SH-28.*

The factors that contribute to traffic growth on the project include, among other things, (i) Lack of routes in the vicinity of toll plazas preventing the avoidance of the project road, (ii) The project being a part of the Kandla-Sagar economic corridor and being an important highway for the movement from the east to the west, and (iii) The project connecting Bhopal, the political capital of Madhya Pradesh to Indore, the business and trading capital of Madhya Pradesh.

GODHRA EXPRESSWAYS PRIVATE LIMITED (GEPL)



Concession Agreement

A concession agreement has been executed between National Highways Authority of India (NHAI) and Godhra Expressways Pvt. Ltd. (GEPL) on February 25, 2010, for four laning of Godhra to Gujarat/ Madhya Pradesh border section of National Highway 59* (NH-59) from Km 129.300 to Km 215.900 in the state of Gujarat under NHDP Phase III on design, build, finance, operate and transfer (DBFOT) basis ("GEPL Concession Agreement").

Under the GEPL Concession Agreement, the concession has been granted to GEPL by NHAI for a period of 27 years, including the construction period. Post construction, GEPL has the sole and exclusive right to demand, collect and appropriate toll fee payable by the vehicles using the project in accordance with the GEPL Concession Agreement.

The GEPL Concession Agreement provides that if the actual traffic volume differs from the target traffic volume provided in the GEPL Concession Agreement, the concession period shall be extended or reduced, as the case may be. Traffic studies conducted on the target date provides that the actual traffic volume on the target date was approximately 29% lower than the target traffic volume. Accordingly, the concession period may be extended by 5.4 years. Such an extension has been recommended by the independent engineer and the NHAI project implementation unit.

Traffic Volume

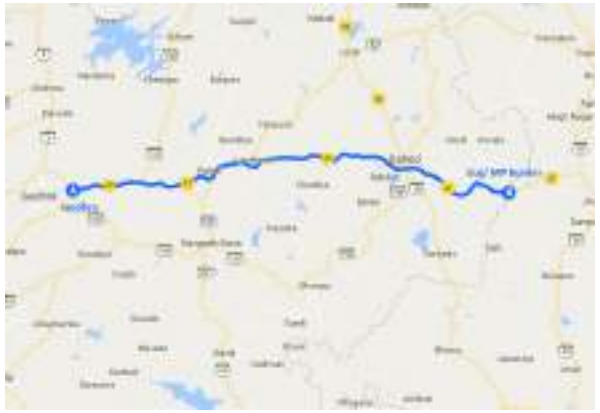
The table below sets forth the AADT by category of vehicles for fiscals 2023, 2022 and 2021:

PARTICULARS	FISCAL		
	2023	2022	2021**
Car	6,174	5,543	5,083
LCV	579	540	584
Bus/Truck	1,931	1,777	1,578
MAV	2,759	2,488	2,454
AADT	11,442	10,348	9,699

*Note: ** Toll operations suspended for 19 days due to Covid-19 in April, 2020*

Corridor Description

National Highway 59* of which the project is a part, connects Ahmedabad in Gujarat to Indore in Madhya Pradesh. The map below illustrates the location of the project and the corridor it covers:



**Subsequent to signing of the GEPL Concession Agreement, the National Highway number has been revised to NH-47.*

The factors that contribute to traffic growth on the project include, among other things, (i) The fact that the tolling has been at place since 2013 and the travel pattern is well established, (ii) Lack of alternative routes from/to where the traffic may divert, (iii) The project corridor consisting of Devgadh Baria, Dahod 1 and Dahod 2 (Kharedi) industrial estates, and (iv) The project being a part of the Kandla-Sagar economic corridor and being an important highway for movement from the east to the west.

JODHPUR PALI EXPRESSWAY PRIVATE LIMITED (JPEPL)



Concession Agreement

A Concession Agreement has been executed between PWD, Government of Rajasthan (PWD-R) and Jodhpur Pali Expressway Pvt. Ltd. (JPEPL) on February 28, 2013, for the development and operation of Jodhpur Pali section of National Highway 65* (NH-65) from Km 308.000 to Km 366.000 and including bypass to Pali starting from Km 366.000 of NH-65, connecting National Highway 14 (NH-14) at Km 114 in the State of Rajasthan through Public Private Partnership on design, build, finance, operate and transfer (DBFOT) basis ("JPEPL Concession Agreement").

Under the JPEPL Concession Agreement, the concession has been granted to JPEPL by PWD-R for a period of 25 years, including the construction period. Post construction, JPEPL has the sole and exclusive right to demand, collect and appropriate toll fee payable by the vehicles using the project in accordance with the JPEPL Concession Agreement.

The JPEPL Concession Agreement provides that if the actual traffic volume differs from the target traffic volume provided in the concession agreement, the concession period shall be extended or reduced, as the case may be. Traffic studies conducted on the project estimates that the actual traffic volume on the target date to be approximately 32% lower than the target traffic volume. Accordingly, the concession period may be extended by 5 years. Such extension, however, remains subject to actual traffic volume tests to be undertaken in accordance with the JPEPL Concession Agreement.

Traffic Volume

The table below sets forth the AADT by category of vehicles for fiscals 2023, 2022 and 2021:

PARTICULARS	FISCAL		
	2023	2022	2021**
Car	6,009	5,150	4,698
LCV/Minibus	317	285	535
Two-axle Bus	472	404	401
Two-axle Trucks	790	747	680
Three-axle Trucks/Bus	543	546	530
MAV (four-six axle)	1,300	1,289	1,177
AADT	9,432	8,420	8,021

*Note: ** Toll operations suspended for 19 days due to Covid-19 in April, 2020*

Corridor Description

National Highway 65*, of which the project is a part, runs from Ambala in Haryana to Pali in Rajasthan. The map below illustrates the location of the project and the corridor it covers:



**Subsequent to signing of the JPEPL Concession Agreement, the National Highway number has been revised to NH-62.*

The factors that contribute to traffic growth on the project include, among other things, (i) The project being a connecting link between economic corridors and feeder roads, it is likely to remain an important national highway for movement from the north to the south, and (ii) The proposed Delhi-Mumbai Industrial Corridor forming part of the Western Dedicated Freight Corridor which may result in an upside with distributive traffic from railway node to the surrounding areas along the project.

NIRMAL BOT LIMITED (NBL)



Concession Agreement

A Concession Agreement has been executed between National Highways Authority of India (NHAI) and Nirmal BOT Ltd. (NBL) on May 4, 2007, for the design, construction, development, finance, operation and maintenance of section from Km 278.000 (Kadtal) to Km 308.000 (Armur) on National Highway 7* (NH-7) in the State of Telangana under North South Corridor (NHDP Phase II) on build, operate, transfer (annuity) basis ("NBL Concession Agreement").

Under the NBL Concession Agreement, the concession has been granted to NBL by NHAI for a period of 20 years, including the construction period. Post construction, NBL has the sole and exclusive right to demand, collect and appropriate annuities in accordance with the NBL Concession Agreement. As consideration, NHAI shall pay a semi-annual annuity of INR 238 million, in accordance with the payment mechanism described in the NBL Concession Agreement.

Details of Annuity

FISCAL	Annuity Amount (INR Million)	Remarks
2022-23	476.00	Actual Annuity
2021-22	476.00	Actual Annuity
2020-21	476.00	Actual Annuity

Corridor Description

National Highway 7*, of which the project is a section of the North-South corridor, starts from Varanasi and connects major cities like Jabalpur, Nagpur, Hyderabad, Kurnool, Bengaluru, Salem and Madurai.

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



**Subsequent to signing of the NBL Concession Agreement, the National Highway number has been revised to NH-44.*

SHILLONG EXPRESSWAY PRIVATE LIMITED (SEPL)



Concession Agreement

A Concession Agreement has been executed between National Highways Authority of India (NHAI) and Shillong Expressway Pvt. Ltd. (SEPL) on July 14, 2010, for two-laning of Shillong Bypass connecting National Highway 40 and National Highway 44 from Km 61.800 of National Highway 40* to Km 34.850 of National Highway 44* in the State of Meghalaya on design, build, finance, operate and transfer (DBFOT) basis ("SEPL Concession Agreement").

Under the SEPL Concession Agreement, the concession has been granted to SEPL by NHAI for a period of 15 years, including the construction period. Post construction, SEPL has the sole and exclusive right to demand, collect and appropriate annuities in accordance with the SEPL Concession Agreement. As consideration, NHAI shall pay a semi-annual annuity of INR 248.7 million, in accordance with the payment mechanism described in the SEPL Concession Agreement.

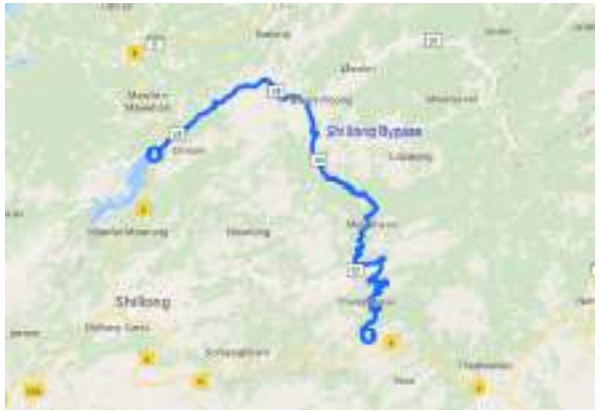
Details of Annuity

FISCAL	Annuity Amount (INR Million)	Remarks
2022-23	497.40	Actual Annuity
2021-22	497.40	Actual Annuity
2020-21	497.40	Actual Annuity

Corridor Description

The project is a part of National Highway 40* and National Highway 44* in the State of Meghalaya.

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



**Subsequent to signing of the SEPL Concession Agreement, the National Highway number has been revised to NH-6.*

ULUNDURPET EXPRESSWAYS PRIVATE LIMITED (UEPL)



Concession Agreement

A Concession Agreement has been executed between National Highways Authority of India (NHAI) and Ulundurpet Expressways Pvt. Ltd. (UEPL) on April 19, 2006, for design, engineering, construction, development, finance, operation and maintenance of four-laning the existing two-lane section from Km 121 (near Tindivanam) to Km 192.25 (near Ulundurpet) on National Highway 45* (NH-45) in the State of Tamil Nadu on built, operate, transfer (BOT) basis ("UEPL Concession Agreement").

Under the UEPL Concession Agreement, the concession has been granted to UEPL by NHAI for a period of 20 years, including the construction period. Post construction, UEPL has the sole and exclusive right to demand, collect and appropriate toll fee payable by the vehicles using the project in accordance with the UEPL Concession Agreement.

Traffic Volume

The table below sets forth the AADT by category of vehicles for fiscals 2023, 2022 and 2021:

PARTICULARS	FISCAL		
	2023	2022	2021*
Car	19,683	16,778	16,324
LCV	1,937	1,769	1,812
Bus	3,267	2,349	1,707
Two-axle Trucks	1,840	1,619	1,555
MAV	2,994	2,864	2,762
AADT	29,721	25,379	24,160

*Note: *Toll operations suspended for 19 days due to Covid-19 in April, 2020*

Corridor Description

National Highway 45*, of which the project is a part, runs within Tamil Nadu and starts from Kathipura junction in Guindy area (in Chennai) and extends up to Theni.

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



**Subsequent to signing of the UEPL Concession Agreement, National Highway number has been revised to NH-132 and NH-38.*

The factors that contribute to traffic growth on the project include, among other things, (i) The unavailability of an alternative route in the vicinity of the project, (ii) The project being a part of the route connecting cities of Tamil Nadu with Chennai and, (iii) The project being a connecting link on the Chennai–Madurai/ Kanyakumari economic corridor.

AWARDS AND ACCOLADES



MoRTH initiated the National Highways Excellence Awards in 2018 to incentivise stakeholders in the highway construction and maintenance process. Four project SPVs of the Trust have received the excellence awards over the years.



2018
NBL:
Gold Award for Excellence in Highway Safety from the Ministry of Road Transport and Highways (MoRTH)



2019
NBL:
Silver Award for Excellence in Green Highways from MoRTH



2019
SEPL:
Silver Award for Excellence in Highway Safety (Hilly Terrain) from MoRTH



2020
UEPL:
Silver Award for Excellence in Operations and Maintenance from MoRTH



2020
UPEL:
Silver Award for Excellence in Toll Management from MoRTH



2021
GEPL:
Silver Award for Operations & Maintenance – Rigid Pavement from MoRTH



Global Safety Summit Awards

Global Safety Summit (GSS) Awards showcase the achievements of industries in environment, health, safety and CSR. GSS sets assessment criteria pertaining to the relevant industrial sector. In the year 2022, the Investment Manager of the Trust was selected at the Global Safety Summit for National Road Safety Award under the large enterprise category.



Industry Award

The Investment Manager of the Trust was selected by the Federation of Indian Chamber of Commerce and Industry (FICCI), the largest and oldest apex business organisation in India, for Outstanding Commitment to Road Safety for its road safety education initiative, Our Road Our Life (being implemented at DBCPL) in the year 2019.

Environment, Social and Governance (ESG)



ESG Committee

The Trust has a structured ESG governance framework, responsible for identifying, finalising and monitoring systems and processes considering ESG aspects. The Board of Directors of the Investment Manager in their meeting held on May 19, 2023 re-constituted the Environmental, Social and Governance (ESG) Committee as follows:

1. Mr. Neeraj Sanghi - CEO cum Whole-Time Director
2. Ms. Ami Momaya - Non-Executive Director
3. Mr. Manish Agarwal - Independent Director

The ESG Committee monitors and implements both ESG and Corporate Social Responsibility activities of the Trust. Refer to pg 30 for details.

What is the Trust's approach to ESG and what are the ESG principles followed by it?

At the Trust, we are committed to integrating ESG considerations into our business operations and decision-making processes. We recognise that our business activities have an impact on the environment, society and the economy, and we believe that responsible and sustainable practices are essential to creating long-term value for our stakeholders.

- Environment
- Social
- Governance

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) (CONTD.)

Environment

Carbon Emissions
We actively seek to reduce greenhouse gas (GHG) emissions from our operations via the use of sustainable energy sources

Operational Efficiency
We ensure efficient use of resources required for our operations

Waste Management
We ensure proper disposal and recycling of waste in a sustainable manner

Pollution and Biodiversity
We monitor pollution (air, water and noise) and any biodiversity-related impact across our projects

Awareness
We enhance environmental conservation awareness within the organisation



ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) (CONTD.)

Environment (Contd.)

Energy conservation

Energy constitutes a substantial part of our operations. Broadly, it can be divided into three main use cases viz., powering of facilities (toll plazas, site offices, etc.) transportation of material and manpower, etc., and street lights. We have worked to consciously reduce fuel consumption and have introduced solar panels to reduce reliance on conventional energy sources and have replaced standard lights with energy-efficient lights.

As on date, the installed capacity of solar panels across DBCPL, UEPL and NBL projects is 195 kW.

FASTag

We have adopted FASTag across our toll booths to reduce traffic interface, helping in saving fuel and reducing carbon emission. As on date, our 113 lanes process approximate 2.2 lac transactions per day with roughly 97% of all transactions through FASTag.

Overlay Technology

We have been at the forefront of using new and innovative technologies, which provides both economic and environmental benefits. This is best exemplified in our focus on reducing environmental impact during overlay work. Roads periodically need a renewal coat called "overlay". Normally, the overlay process requires large fuel and bitumen quantities. We endeavour to reduce the bitumen use in the overlay cycle by utilising waste plastic as an alternative, or recycle the recovered bitumen by means of hot in-place recycling.

195 tCO_2e

REDUCTION IN GHG EMISSIONS





ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) (CONTD.)

Social

Health and Safety
We ensure health & safety risk mitigation across every part of our operations, targeting zero fatalities

Community Engagement
We engage with local communities to understand their expectations and desires and work towards supporting their needs via CSR

Road Safety
We develop community engagement along the corridor on road safety to prevent road traffic accidents

Diversity, Equity and Inclusion (DEI)
We encourage DEI principles across our business operations, fostering an equal and discrimination-free work environment



ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) (CONTD.)

Social (Contd.)

Approach to Social Engagement

The Investment Manager and Project Manager focus on transformation of their employees by means of encouragement and training. Furthermore, occupational health and safety for employees and road safety in general are key to our social sustainability campaign. Employees are deeply involved in community training, covering issues such as health and safety. This ensures that our representatives on ground have community goodwill and support.

Offsites

One sure way of building bonds is to meet in informal, relaxed environments. By providing a shared experience outside of the normal work environment, offsites have helped in breaking down barriers and promoted new ways of thinking and problem-solving.

Trainings

Trainings help in providing employees with the necessary skills, knowledge and wherewithal to perform their job effectively. The primary aim of training at our organisation is to improve employee performance, increase efficiency and productivity, and align employee skills with the Trust's goals and objectives.

Employee Engagement

Employee engagement is a critical factor in determining the success of our organisation, as engaged employees are more productive, motivated and committed to achieving the organisation's goals. We believe that employee engagement has a direct impact on business outcomes in terms of performance and profitability, as we build a cohesive team which can take on any challenge.

The Investment Manager conducted a Great Place to Work® Survey. The IM was not only certified, it also received high scores against all parameters. In the Trust Index, which captures the overall view on culture, the IM scored 88, while on the factors of Credibility of Management and Camaraderie amongst Employees the Investment Manager scored 91.



ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) (CONTD.)

Governance

Corporate Governance

We conduct business in a manner to ensure excellence in governance, along with ensuring compliance with all statutory and internal voluntary requirements

Robust Governance Structure

We ensure robustness of our governance structure through a balanced composition of the Board of Directors consisting of independent directors, ably supported by the executive team

Board Committees

Our Board committees ensure ongoing review and supervision on critical business and operational areas, such as remuneration, audit and risk & ethics

Business Conduct

We establish clear standards of business conduct with robust ABAC Policy & Whistle-Blower Policy. Details of various policies and committees of the Investment Manager is set out on pg 50.



Corporate Social Responsibility (CSR)



COMMUNITY ENGAGEMENT FOR ROAD SAFETY EDUCATION

We are committed to promoting safer roads and humane highways in our communities and believe everyone has a role to play in this.

One of the ways we are promoting road safety is through our community programs. These aim to educate the public on safe driving practices, raise awareness of the dangers of reckless or distracted driving, and encourage everyone to take responsibility for their actions on the road.

Our site teams conduct road safety programs on a large scale.

These programs have been appreciated by both communities at our projects and our concessionaire authorities.

IMPACT OF OUR PROJECT SPVS ACTIVITES OVER THE YEARS

20,000+ school children
ROAD SAFETY BRIEFINGS AT LOCAL SCHOOLS, VILLAGES AND ROADSIDE EATERIES

10,000+ road users
DISTRIBUTING ROAD SAFETY DOS & DON'TS PAMPHLETS

DISPLAYING ROAD SAFETY POSTERS AT PROMINENT LOCATIONS

10,000+ road users covered in eye check-up camps
FREE EYE CHECK-UP CAMPS FOR ROAD USERS

CORPORATE SOCIAL RESPONSIBILITY (CSR) (CONTD.)





Our project SPVs engage with our communities both by means of voluntary support and also via statutory CSR funds. The SPVs aim to focus on community development programmes in areas around our roads in accordance with our mission of being a socially responsible corporate citizen.

The Board of Directors of the Investment Manager of the Trust has adopted the Corporate Social Responsibility Policy to monitor the CSR programs/activities at a centralised level on its project SPVs. The ESG Committee of the Board of the Investment Manager monitors the CSR activities of the project SPVs. The ESG Committee comprises of atleast one independent director to ensure appropriate oversight on CSR spend.

Over 2022-23, we spent INR 14.9 million from the project SPVs as statutory obligation in compliance with Section 135 of the Companies Act, 2013.

CSR spending over the year (2022-23)
[INR in million]

15.7
CSR FUNDS ALLOTTED

14.9
CSR FUNDS UTILISED

8.8
EMPLOYMENT ACTIVITIES

6.1
EDUCATION ACTIVITIES

In DBCPL, the unspent amount of INR 0.8 million has been deposited to designated CSR unspent account within 30 days from the end of financial year, in accordance with the applicable law and will be utilised for the ongoing projects undertaken at DBCPL.

CORPORATE SOCIAL RESPONSIBILITY (CSR) (CONTD.)

Education (Our Road Our Life or "OROL" Programme)

Our Road Our Life (OROL) is an innovative community outreach and engagement program with a focus on road safety that builds on the life skills framework promoted by Magic Bus, our NGO partner. The programme is active across 15 villages on the 142-km length of DBCPL. The program targets the most vulnerable road users, i.e., rural youth and adolescents. Magic Bus equips children and young people in the age group of 12 to 18 years, with the skills and knowledge necessary to move out of poverty. The programme is further enriched by embedding road safety education as it was a pertinent challenge along the corridor.

OROL communicates various road safety practices to the target individuals through briefings, engaging games and fun activities. We have also noticed that awareness has percolated to the families, and society in general is responding better to a live road next to their home.





Employment (Skill Development Centre)

DBCPL partnered with Pipal Tree Foundation and started a Skill Development Centre to train local youth and provide them livelihood opportunity based on the trainings. This new initiative is in line with GOI Skill India programme. The first batch consisted of 30 girls who were trained in health care. Thereafter, 3 more batches were also trained in health care before training in retail was started for the youth. As on January 2023, 380 students passed out of this training; 82% of them are females and 76% of them have already been placed in progressive employment.





SUMMARY OF VALUATION REPORT

1. Background

In accordance with the terms of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, the Investment Manager appointed Mr. S. Sundararaman ("Registered Valuer"), holding registration number IBBI/RV/06/2018/10238 with IBBI to undertake fair valuation of the project SPVs.

The Registered Valuer has undertaken a valuation of the project SPVs as on March 31, 2023 and the full valuation reports are available on our website https://highwaystrust.com.

Set out below is a brief summary of valuation:

1.1. Financial Assets to be Valued

The financial assets valued at Enterprise Value and Adjusted Enterprise Value are as follows:

Sr. No.	Name of the SPV
	Annuity Model Assets ("Annuity SPVs")
1	Nirmal BOT Limited ("NBL")
2	Shillong Expressway Private Limited ("SEPL")
	Toll Model Assets ("Toll SPVs")
3	Dewas Bhopal Corridor Private Limited ("DBCPL")
4	Godhra Expressways Private Limited ("GEPL")
5	Jodhpur Pali Expressway Private Limited ("JPEPL")
6	Ulundurpet Expressways Private Limited ("UEPL")

(Together referred to as "the project SPVs")

1.2. Scope of Valuation

1.2.1. Valuation Base

Fair Value basis for the valuation of the project SPV are as under:

(a) 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.

(b) Valuation Date

The valuation date considered for the fair enterprise valuation of the SPVs is March 31, 2023 ("Valuation Date").

(c) Premise of Value

Premise of value refers to the conditions and circumstances under which an asset is deployed. The valuation has been undertaken on a going concern basis.

(d) The discount rate considered for the respective project SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital ("WACC") for each of project SPVs. As all the project SPVs under consideration have executed projects under the BOT /DBFOT model, the operating rights of the underlying assets shall be transferred back to the appointing authority after

SUMMARY OF VALUATION REPORT (CONTD.)

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 and the right to collect toll from the vehicles using the road revert 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, the Registered Valuer has arrived at the fair enterprise value of the project SPVs as on the valuation date:

Sr. No.	SPVs	Approximate Projection Period (Balance Project Period#)	WACC	Fair Value of EV* (INR Mn)	Fair Value of Adjusted EV** (INR Mn)
1	NBL	~4 years 7 months	8.3%	1,104	1,168
2	SEPL	~2 years 10 months	8.4%	220	531
3	DBCPL	~10 years 8 months	10.6%	15,709	15,863
4	GEPL	~20 years 5 months	10.5%	22,866	22,937
5	JPEPL	~20 years 8 months	10.5%	8,018	8,123
6	UEPL	~4 years 0 months	10.1%	4,484	4,944
Total				52,402	53,566

including likely extension(s)

** 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 or cash equivalents to meet those liabilities.*

*** Adjusted Enterprise Value of the project SPVs has been derived as the EV, as defined above plus cash or cash equivalents of the project SPVs as at the valuation date.*

DETAILS OF CHANGES DURING THE YEAR

Mandatory Disclosures as specified under Part-A of Schedule IV of Regulation 23(5) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014

1. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions.

During the financial year, the Trust acquired a total portfolio of 6 (six) project SPVs having an aggregate length of 452 kms (1,710 lane-kms) comprising of operational assets (2 annuity projects and 4 toll projects), which are spread across 6 States in India.

This was part of formation transaction and all details are available in the final placement memorandum. Refer Trust's website at https://highwaystrust.com/pdf/Project%20Galaxy%20-%20Final%20Placement%20memorandum%20v.22082022%20(1).pdf.

There was no divestment of assets during the year.

2. VALUATION OF ASSETS AND NET ASSET VALUE ("NAV")

Pursuant to the provisions of Regulation 10 of the SEBI InvIT Regulations, the NAV of the Trust was computed based on the valuation done by the Valuer and the same has been disclosed as part of the Audited Financial Information of the Trust filed with National Stock Exchange of India Limited on May 19, 2023 and is also available on the website of the Trust at www.highwaystrust.com.

A. Consolidated Statement of Net Assets at Fair Value

Amt in INR Mn

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Book value**	**Fair value #**	Book value	Fair value #
A. Assets	23,316.49	57,872.75	27,394.19	53,889.16
B. Liabilities (at book value)	18,934.83	18,934.83	27,005.33	27,005.33
C. Net assets (A-B)	4,381.66	38,937.92	388.86	26,883.83
D. No of units (in millions)	415.50	415.50	*	*
E. NAV (C/D)	10.55	93.71	*	*

* In the previous year ended March 31, 2022, the number of units were not ascertainable considering the Trust was in the process of issuing its units in connection with private placement. Accordingly, disclosure in respect of Net Asset Value ("NAV") per unit has not been given for the previous year.

Fair value of total assets relating to the Trust as at March 31, 2023 and March 31, 2022 as disclosed above are primarily based on the fair valuation report of the Independent Valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

3. Details of Borrowings and Repayments:

Details of external borrowings availed & repaid, on standalone and consolidated basis, during 2022-23, are as follows:

Standalone:

Amt in INR Mn

Particulars	(April 01, 2022)	Loan availed during the period	Loan repaid during the period	Closing Balance (March 31, 2023)
Borrowings from Domestic - Banks/ Financial Institutions (including term loans)	0.00	7,969.03	80.00	7889.03
Non-Convertible Debentures (NCDs)	0.00	6,500.00	32.50	6467.50
Non-Convertible Preference Shares (NCRPs)	0.00	-	0.00	0.00
External commercial borrowing (ECBs)	0.00	-	0.00	0.00

Notes: The Trust acquired the project SPVs on August 23, 2022, and hence the external borrowings as at April 01, 2022 is not considered. Additionally, the Trust has availed a bank guarantee facility in April, 2023.

Consolidated:

Amt in INR Mn

Particulars	(April 01, 2022)	Loan availed during the period	Loan repaid during the period	Closing Balance (March 31, 2023)
Borrowings from Domestic - Banks/ Financial Institutions (including term loans)	0.00	7,969.03	80.00	7889.03
Non-Convertible Debentures (NCDs)	0.00	6,500.00	32.50	6467.50
Non-Convertible Preference Shares (NCRPs)	0.00	-	0.00	0.00
External commercial borrowing (ECBs)	0.00	-	0.00	0.00

Notes: The Trust acquired the project SPVs on August 23, 2022, and hence the external borrowings as at April 01, 2022 is not considered.

Details of borrowings and repayments: Please refer Consolidated and Standalone Financial statements of the Trust for the year ended March 31, 2023 which is forming a part of this Annual Report.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Statement of deviation/ variation in use of proceeds from issuance of Non Convertible Debentures:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (INR Million)	Funds utilized (INR Million)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose for which the funds were utilised	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Highways Infrastructure Trust	INE0KXY07018	Private Placement	Non-Convertible Debentures	23-09-2022	4,000	4,000	No	NA	-
Highways Infrastructure Trust	INE0KXY07026	Private Placement	Non-Convertible Debentures	23-09-2022	2,500	2,500	No	NA	-

There has been no deviation/ variation in use of issue proceeds during the year under review.

The Trust, through the Investment Manager, has sought approval from its unitholders (as of the cut-off date of June 09, 2023), through postal ballot notice dated June 12, 2023, for obtaining additional debt which may lead to the aggregate consolidated borrowings and deferred payments of the Trust to be more than 25% and upto 49% of the value of assets of the Trust. The voting period on the proposed resolution ends on 17:00 hours (IST) on July 03, 2023, and the results of the Postal Ballot shall be declared on or before Wednesday, July 05, 2023.

4. Sponsor, Investment Manager, Trustee, Valuer, Directors of the Trustee or Investment Manager or Sponsor, etc.

Details of Virescent Infrastructure Investment Manager Private Limited (Investment Manager) prior to November 23, 2022

Virescent Infrastructure Investment Manager Private Limited ("Virescent Infrastructure or Investment Manager") was the Investment Manager of the Trust until November 23, 2022. Virescent Infrastructure was incorporated in India as a private limited company on August 22, 2020 under the Companies Act, 2013 with corporate identification number U74999MH2020PTC344288. The Investment Manager's registered office and address for correspondence is 10th Floor, Parinee Crescenzo, C-30, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The role of Investment Manager is to manage the assets and investments of the Trust in accordance with the Trust Deed, Investment Management Agreement, and the SEBI InvIT Regulations in the interest of unitholders.

The Board of Directors of Virescent Infrastructure prior to change of Investment Manager on November 23, 2022

The Investment Manager had 6 (six) Directors. The Board of Directors of Virescent Infrastructure was duly constituted with three Independent Directors, including one Woman Director, two Non-Executive Directors and one Executive Whole-Time Director. The Board was responsible for the overall management and governance of the Investment Manager.

Sr. No.	Name	DIN	Designation
1.	Mr. Hardik Bhadrik Shah	06648474	Non-Executive Director
2.	Mr. Sanjay Grewal	01971866	Executive Whole-Time Director
3.	Mr. Panja Pradeep Kumar	03614568	Independent Non-Executive Director
4.	Mr. Akshay Jaitly	00042036	Independent Non-Executive Director
5.	Ms. Daisy Devassy Chittilapilly	09577569	Independent Non-Executive Director
6.	Mr. Aditya Narayan	00012084	Non-Executive Director

Details of Highway Concessions One Private Limited (Investment Manager) after change in the Investment Manager on November 23, 2022

Highway Concessions One Private Limited ("HC One or Investment Manager") is the Investment Manager of the Trust since November 23, 2022. HC1 was incorporated under the Companies Act, 1956 with corporate identification number U45200MH2010PTC208056. The Investment Manager's registered office and address for correspondence is Unit No. 316 & 317, C Wing, 3rd Floor, Kanakia Zillion, LBS Marg, BKC Annexe, Mumbai 400 070, Maharashtra.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Board of Directors of Investment Manager after change of Investment Manager on November 23, 2022

The Investment Manager has six Directors. The Board of Directors of the Investment Manager is duly constituted with three Independent Directors, including one Woman Director, two Non-Executive Directors and one Executive Whole-Time Director. The Board is responsible for the overall management and governance of the Investment Manager.

Sr. No.	Name	DIN	Designation	Date of appointment
1	Mr. Hardik Bhadrik Shah	06648474	Non-Executive Director	December 17, 2021
2	Ms. Ami Vinoo Momaya	06836758	Non-Executive Director	January 24, 2022
3	Mr. Janakiraman Subramanian	05299205	Independent Non-Executive Director	March 04, 2022
4	Mr. Manish Agarwal	09730028	Independent Non-Executive Director	September 14, 2022
5	Ms. Sudha Krishnan	02885630	Independent Non-Executive Director	September 14, 2022
6	Mr. Neeraj Sanghi	05110400	Executive Whole-Time Director	December 17, 2021

Note:

1. Mr. Hardik Bhadrik Shah (DIN 06648474) was appointed as Additional Director in the category of Non-Executive Director with effect from December 17, 2021;
2. Ms. Ami Vinoo Momaya (DIN 06836758) was appointed as Additional Director in the category of Non-Executive Director with effect from January 24, 2022;
3. Mr. Janakiraman Subramanian (DIN 05299205) was appointed as Additional Director in the category of Independent Director with effect from March 04, 2022;
4. Mr. Manish Agarwal (DIN 09730028) was appointed as Additional Director in the category of Independent Director with effect from September 14, 2022;
5. Ms. Sudha Krishnan (DIN 02885630) was appointed as Additional Director in the category of Independent Director with effect from September 14, 2022; and
6. Mr. Neeraj Sanghi was appointed as Chief Executive Officer of the Company on September 27, 2016 and he was also appointed as Additional Director in the category of Executive Whole-Time Director with effect from December 17, 2021.

The Board composition is in conformity with the provisions of the SEBI InvIT Regulations and Companies Act, 2013. All Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise. All Directors attended majority of Board and Committee meetings held during the period under review. The detailed profile of all Directors can be viewed in this report and also on the Trust's website at https://highwaystrust.com/board-of-director/.

In terms of the provisions of Regulation 10(25) of the InvIT Regulations, Ms. Kunjal Shah, Company Secretary of the Company, was appointed as the "Compliance Officer" for Highways Infrastructure Trust in place of Ms. Charmy Bhoot w.e.f. November 23, 2022.

Brief profile of Ms. Kunjal Shah

Ms. Kunjal Shah, a Company Secretary by profession, has been an employee of the Investment Manager since May 02, 2014. She has over 15 years of expertise in handling Corporate Secretarial matters covering restructuring, refinancing, due diligence, SEBI compliances, RBI compliance and other Companies Act related compliances. Kunjal has handled preparing and filing reports, returns under various statutory acts, including handling corporate related activities like pledging of shares, acquisition of shares and declaration of interim and final dividend. Prior to Highway Concessions, Kunjal worked with Orbit Corporation Limited, an entity listed on both BSE and NSE. Kunjal has also managed listing related compliances, was involved in a capital raising program such as Qualified Institutional Placement (QIP), issuance and conversion of promoter warrants, conversion of IPO warrants, amalgamation and bonus shares.

Details of the Sponsor:

History and Certain Corporate Matters

Galaxy Investments II Pte. Ltd. is the Sponsor of the Trust. The Sponsor was incorporated on June 11, 2021 in Singapore with registration number 202120533M. The Sponsor is a private company limited by shares. The Sponsor's registered office is situated at 12 Marina View, #11-01, Asia Square Tower 2, Singapore 018961.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Background and Past Experience of Sponsor

Principal Activities of Galaxy

Galaxy Investments II Pte. Ltd. ("**Galaxy**") is a newly incorporated entity and shall be engaged 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.

Brief description of the Group

As on date, 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 is affiliated to funds, vehicles and/or entities managed and/or advised by affiliates of KKR.

Founded in 1976, KKR is a leading global investment firm, with US$510 billion in assets under management as of March 31, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities.

KKR's global infrastructure strategy

In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 65 infrastructure investments globally and more than US$50 billion in assets under management within infrastructure.

Today, KKR's Infrastructure platform has expanded to include approximately 75 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends, and may identify and prioritise investments in other sectors as conditions change or cycles evolve. Among KKR's focus areas are investments in assets related to the global roads sector.

KKR's track record in India

KKR has invested or committed over US$6.7 billion of equity in private equity and infrastructure deals in India since 2010 with over 20 investments made and more than a dozen active portfolio companies today. KKR believe the long-term economic outlook in India is positive, given structural reforms, despite recent volatility, and continue to see attractive investment opportunities in the country.

India is one of the key markets that KKR's Asia Pacific Infrastructure strategy will actively seek to invest in. KKR believe that population growth is expected to drive significant demand for infrastructure in India over the next 25 years. This, combined with stable macroeconomic indicators, structural reforms, thrust on infrastructure development, and constructive FDI regime will continue to result in high foreign capital inflows and provide the needed impetus to make India a favoured infrastructure investment destination.

KKR's private equity current and past investments in India include, but are not limited to:

- Aricent Group (2009)
- Dalmia Cement (2010)
- Coffee Day Resorts Private Limited (2010)
- Magma Fincorp Limited (2011)
- TVS Logistics Services (2012)
- Alliance Tire Group (2013)
- Gland Pharma (2014)
- Emerald Media (2015)
- Max Financial Services (2016)
- Avendus Capital (2016)
- SBI Life Insurance (2016)
- Indus Towers Limited (f.k.a. Bharti Infratel) (2017 & 2008)
- Max Healthcare Institute (2017)
- Ramky Enviro Engineers (2018)
- Lighthouse Learning (f.k.a. Eurokids) (2019)

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

- Reliance Jio Platforms (2020)
- Reliance Retail (2020)
- JB Chemicals (2020)
- Five-Star Business Finance (2021)
- Lenskart (2021)
- Vini Cosmetics (2021)
- Ness Digital Engineering (2022)

KKR's Infrastructure investments in India include:

- IndiGrid (2019)
- Virescent Infrastructure (2020)
- Highway Concessions One (2021)
- Hero Future Energies (2022)
- Serentica Renewables (2022)

Brief Profile of the Directors of the Sponsor

Mr. Tang Jin Rong (Date of appointment: June 11, 2021)

Tang Jin Rong is a Director of the Sponsor. He holds a Bachelor of Accountancy, Honours, Second Class (Lower) from Nanyang Technological University, Nanyang Business School. Jin Rong joined KKR in 2020 as a member of the funds operation team. Previously, he worked at GIC Pte Ltd overseeing deal execution and finance operations matters. Prior to that, he was at PricewaterhouseCoopers LLP, providing assurance services to clients.

Ms. Madhura Narawane (Date of appointment: January 26, 2022)

Madhura Narawane is a Director of the Sponsor. She holds an MBA from the Harvard Business School and an AB from Harvard College. Madhura joined KKR in 2020, and is a Principal on the Asia Pacific Infrastructure team. She has been involved in KKR's investments in First Gen, Pinnacle Towers, SK E&S and Eco Solutions Group (now Ecorbit). Prior to KKR, Madhura was an investment executive at Baring Private Equity Asia, where she focused on buyout transactions across the technology services, business services and education industries, most recently in the Cross Border Investment team, and formerly in the India Investment team. She started her career in the Mergers & Acquisitions group at Citi in New York, where she advised global corporates on a variety of transactions across the technology, industrials and biotech industries.

Details of the Trustee

Axis Trustee Services Limited is the Trustee of the Highways Infrastructure Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a Debenture Trustee since January 31, 2014, having registration number IND000000494 and is valid until suspended or cancelled by SEBI. The Trustee's registered office is Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai - 400 025, Maharashtra, India. The Trustee's address for correspondence is The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028, Maharashtra, India.

Background of the Trustee

The Trustee is a trusteeship company which has been registered with SEBI as a Debenture Trustee and has been promoted by Axis Bank Limited for providing corporate and other trusteeship services. The Trustee is a wholly-owned subsidiary of Axis Bank Limited. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders. The Trustee is also authorised to provide services such as: (i) a facility agent for complex structured transactions; (ii) an escrow agent; (iii) a trustee to alternative investment funds and venture capital funds; (iv) custodian of documents as a safe-keeper; and (v) a trustee to real estate investment trust, etc.

The Trustee confirms that it has maintained, and undertakes to ensure that it will at all times maintain, adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Highways Infrastructure Trust, in accordance with the Trust Deed, the InvIT Regulations and other applicable laws.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Board of Directors of the Trustee

The board of directors of the Trustee is entrusted with the responsibility for the overall management of the Trustee. Please see below the details in relation to the board of directors of the Trustee:

Sr. No.	Name	DIN	Designation	Date of appointment
1.	Ms. Deepa Rath	09163254	Managing Director and Chief Executive Officer	May 1, 2021
2.	Mr. Rajesh Kumar Dahiya	07508488	Non-Executive Director	July 11, 2018
3.	Mr. Ganesh Sankaran	07580955	Non-Executive Director	April 18, 2019

Brief Profile of the Directors of Trustee

Mr. Deepa Rath (DIN: 09163254)

Deepa Rath is the Managing Director & CEO on the Board of Axis Trustee Services Limited.

Deepa is a senior banker with more than 20 years of experience in Corporate Banking, Fintech, Credit, Project Funding, MSME Financing, Retail Banking, Supply Chain Finance, Trade Finance, etc.

She is known for her strategic leadership, customer centric approach, and superior people & relationship management skills which have helped her set up and scale up new businesses & high impact teams across domains. Prior to taking over as MD & CEO of Axis Trustee Services Ltd, Deepa was part of the founding leadership team and spearheaded TReDS (Trades Receivable Discounting System) platform business at INVOICEMART / A. TREDS LTD (JV of Axis Bank & Mjunction), a pioneering work in the space of Digital & Transparent Financing of MSMEs, Financial Inclusion, API Integration & Blockchain implementation.

Previous to this, she led various business functions across geographies with Axis Bank Corporate Banking department. In the early part of her career, she took several roles with IDBI Bank and ICICI Bank Ltd within the Corporate Banking & Retail Banking franchise.

She has been a speaker on various Finance & Fintech related forums and was a part of Axis Bank's Senior Business Leadership program initiatives pertaining to Ethics & Sustainability (POSH), Recruitment & Employee Engagement, Corporate Social Responsibility etc. She is a panel /advisory member on the International Consulting/Advisory related to Supply Chain Finance, Fintech, Go-To-Market Strategy & Corporate Banking practices.

She holds an MBA- Finance from IMT Ghaziabad with Master's in Economics and an Advanced Diploma in Software Technology & Systems Management, NIIT. Apart from several certifications from Coursera, Axis Business Leadership Program - ISB Hyderabad, Deepa is currently pursuing "Advanced Program in Fintech & Financial Blockchain" from IIM Calcutta to continue her strive for knowledge and learning.

Mr. Rajesh Kumar Dahiya (DIN: 07508488)

Rajesh Kumar Dahiya is a non-executive director on the board of the Trustee.

Rajesh, Executive Director, Axis Bank Ltd, is an Engineer with a Masters in Management. Before joining Axis Bank in June 2010, he was associated with the Tata Group for 20 years where he handled various responsibilities across functions such as Human Resources, Manufacturing, Exports, Distribution and Institutional Sales. In his current role as Executive Director, he supervises all functions under Corporate Centre viz. Internal Audit, Human Resources, Compliance, Company Secretary, Corporate Communications, Corporate Real Estate Services, Chief Business Relations Officer (CBRO), Corporate Social Responsibility, Ethics & Sustainability and Law. In addition, Rajesh also oversees the functioning of the Axis Bank Foundation. He is also on the Board of Axis PE Ltd.

Ganesh Sankaran (DIN: 07580955)

Ganesh Sankaran is a non-executive director on the board of the Trustee.

Ganesh is the Group Executive – Wholesale Banking Coverage Group at Axis Bank Limited. He has nearly 25 years of experience across coverage, credit and risk functions and has handled verticals like Corporate Credit, Financial Institutions, Business Banking, Mortgages, Commercial Transportation, Equipment Finance & Rural Lending.

Before joining Axis Bank, he was Executive Director at Federal Bank, responsible for business architecture across the Wholesale Bank, Micro/Rural Bank, Business Banking and International Operations. Additionally, he had also served as a Member of the Board of Directors for Equirus Capital and Fedbank Financial Services. Prior to that he was associated with HDFC Bank where he was Co-Head, Corporate Banking. Ganesh is an Engineer with a Master's degree in Business Administration.

During the year under review, there have been no changes in the Directors of the Trustee.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Committees of the Board of Directors of the Investment Manager in Relation to Trust

The Trust was registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("InvIT Regulations") on December 23, 2021. The erstwhile Investment Manager (Virescent Infrastructure Investment Manager Private Limited) constituted the following committees which were disclosed in the Final Placement Memorandum filed with the Securities and Exchange Board of India.

Virescent Infrastructure had various committees to ensure independent board representation in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as summarised below:

SL. No.	Date of Board Approval	Type of Committee	Member	Designation
1	March 15, 2022	InvIT Committee	Mr. Hardik Shah	Non-Executive Director
			Mr. Sanjay Grewal	Whole-Time Director
2	March 15, 2022	Investment Committee	Mr. Akshay Jaitly	Non-Executive Independent Director
			Mr. Hardik Shah	Non-Executive Director
			Mr. Sanjay Grewal	Whole-Time Director
3	March 15, 2022	Audit and Risk Management Committee	Mr. Panja Pradeep Kumar	Non-Executive Independent Director
			Mr. Akshay Jaitly	Non-Executive Independent Director
			Mr. Hardik Shah	Non-Executive Director

Thereafter, the composition of the Committee was reformed/constituted by the board of directors of Highway Concessions One Private Limited post the change in the Investment Manager of the Trust. The committees were established in their meeting held on November 15, 2022 and were operationalised with effect from November 23, 2022.

Audit Committee:

The Audit Committee ("Committee") is a committee constituted by the board of directors ("Board") of Highway Concessions One Private Limited ("HC One or Company or Investment Manager") for the operation of Highways Infrastructure Trust in accordance with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and is applicable to Highway Concessions One Private Limited in its capacity as Investment Manager to Highways Infrastructure Trust.

Composition

The Audit Committee comprises of the Board of Directors of the Investment Manager. The Chairperson of the Audit Committee is an Independent Director. All members of the Audit Committee are financially literate, and the Chairperson of the Committee has accounting and related financial management expertise. The company secretary of the Investment Manager acts as the secretary to the Audit Committee. The quorum shall be at least 50% of the directors, of which at least 50% of the directors present, shall be independent directors and subject to a minimum of two members being present in person.

The composition of the Audit Committee is as follows:

Name of Committee Members	CATEGORY
Ms. Sudha Krishnan	Independent Director
Mr. Janakiraman Subramanian	Independent Director
Mr. Hardik Shah	Non-Executive Director

Terms of reference of the Audit Committee

The main objective of the Audit Committee is to assist the board in fulfilling its fiduciary responsibilities towards the Trust in the best interest of all stakeholders of the InvIT, the Company and SPVs. In fulfilling its role, the Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain external legal and professional advise. In pursuing this goal, the Committee, inter alia, shall:

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

- Provide recommendations to the Board of Directors regarding any proposed distributions;
- Monitor the net distributable cashflows payable to the unitholders of the InvIT;
- Overseeing InvIT's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- To review the interim financial statements to be submitted by the InvIT, the Company or the SPVs to any shareholders, unitholders and regulatory or statutory authorities;
- Giving recommendations to the board of directors regarding appointment, reappointment and replacement, remuneration and terms of appointment of the statutory auditor and internal auditor of the InvIT and the audit fee, subject to the approval of the unitholders;
- Reviewing and monitoring the independence and performance of the statutory auditor of InvIT and effectiveness of the audit process;
- Approving payments to statutory auditors of the InvIT for any other services rendered by such statutory auditors;
- Reviewing the annual financial statements and auditor's report thereon of the InvIT, before submission to the board of directors for approval, with particular reference to changes, if any, in accounting policies and practices and reasons for such change; major accounting entries involving estimates based on the exercise of judgment by management; significant adjustments made in the financial statements arising out of audit findings; compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions; and modified opinion in the draft audit report;
- Reviewing, with the management, all periodic financial statements, including but not limited to quarterly/ half-yearly and annual financial statements of the InvIT before submission to the board of directors for approval as applicable;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue of units by the InvIT (public issue, rights issue, preferential issue, etc.) and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the board of directors for follow-up action;
- Approval or any subsequent modifications of transactions of InvIT with related parties including reviewing agreements or transactions in this regard;
- Scrutinizing inter-corporate loans and investments of the InvIT;
- Reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;
- Reviewing and recommending the appointment (including terms thereof) of valuers to the board to undertake valuations of the assets held by the SPVs and the Trust including appointment of registered valuer in terms of InvIT Regulations;
- Evaluating financial controls and risk management systems of the Trust;
- Reviewing, with the management, the performance of statutory auditors of the Trust, and adequacy of the internal control systems, as necessary;
- Reviewing the adequacy of internal audit function if any of the Trust, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Reviewing the findings of any internal investigations in relation to the Trust, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;
- Reviewing the procedures put in place by the Investment Manager for managing any conflict that may arise between the interests of the unitholders, the parties to the Trust and the interests of the Investment Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Investment Manager, and the setting of fee or charges payable out of the Trust assets;
- Discussing with statutory auditors and valuers prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/ valuation discussion to ascertain any area of concern;
- Reviewing and monitoring the independence and performance of the valuer of the Trust;

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

- Evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the SPVs to the Trust and payments to any creditors of the Trust or the SPVs, and recommending remedial measures;
- Reviewing management's discussion and analysis of financial condition and results of operations;
- Reviewing and overseeing the functioning of the whistle blower/ vigil mechanism;
- Discussion with internal auditors on any significant findings and follow up thereon;
- Noting the report of the compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and verify that the systems for internal control are adequate and are operating effectively;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- To do all such acts, deeds and things as may be required to be undertaken in accordance with the applicable law, rules and regulations applicable to the Trust/SPVs;
- To consider any other additional matters, as may be delegated from time to time, by the Board; and
- To delegate to the officials such powers of the Committee as may be deemed fit by the Committee.

The full details of the terms of reference of the Committee is also available on the Trust' website on https://highwaystrust.com/board-committees/

Note on the Committee's Meeting

Pursuant to the approval dated November 22, 2022 granted by the Securities and Exchange Board of India (SEBI) and the approval of the unitholders of the Trust as required under Regulation 9(15) of the InvIT Regulations obtained from the unitholders in the Extra-Ordinary General Meeting held on November 14, 2022, Highway Concessions One Private Limited (HC1) was appointed as the new Investment Manager of the Trust in place of Virescent Infrastructure Investment Manager Private Limited with effect from November 23, 2022. The Committee meetings held for the quarter ended September 30, 2022 and further held till November 11, 2022, were conducted by the erstwhile Investment Manager of the Trust. Thereafter, the Committee's meeting post were conducted by the new Investment Manager of the Trust.

Meetings of the Audit Committee

Five Audit Committee meetings (including meetings of the Audit Committee conducted by erstwhile Investment Manager of the Trust) were held during the year ended March 31, 2023 on July 08, 2022, August 30, 2022, November 11, 2022, December 20, 2022 and February 08, 2023.

Quorum

The necessary quorum was maintained for all the meetings.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (NRC) comprises of board of directors of the Investment Manager. The Chairperson of the committee is an Independent Director. The company secretary of the Investment Manager acts as the secretary to the Committee. The quorum shall be at least 50% of the number of members of the Committee and subject to a minimum of two members.

Composition

The composition of the Nomination and Remuneration Committee is as follows:

Name of Committee Members	CATEGORY
Ms. Sudha Krishnan	Independent Director
Mr. Manish Agarwal	Independent Director
Mr. Janakiraman Subramanian[1]	Independent Director

Note 1:

Pursuant to the amendment dated February 14, 2023 to Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**InvIT Regulations**"), certain provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") have been made mandatorily applicable to InvITs (even without listed debt instruments). As part of the amendment, the interpretation of the term "**Non-executive director**" in context of InvITs is required to be read as an "**Independent Director**" wherever it appears in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**").

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Further, as part of the mandatory applicable provisions, the composition of the Nomination and Remuneration Committee ("**NRC**") is required to be undertaken in accordance with Regulation 19(1)(b) of SEBI LODR Regulations which states that "*all directors of the committee shall be non-executive directors*".

Accordingly, the Board through the Circular Resolution dated March 31, 2023 has re-constituted the NRC Committee by inducting Mr. Janakiraman Subramanian, Independent Director of the Company as a member in place of Mr. Hardik Shah, Non-Executive Director.

Terms of reference of the NRC Committee

The terms of reference of the Nomination and Remuneration Committee is as follows:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description;
- For the purpose of identifying suitable candidates, the Committee may:
  a. use the services of external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
     i. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
     ii. Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management of the Company; and
- Performing such other activities as may be delegated by the board of directors of the Company and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

The full details of the terms of reference of the Committee is also available on the Trust's website on https://highwaystrust.com/board-committees/

Meetings of the NRC Committee

Two NRC Committee meetings were held during the year ended March 31, 2023 on February 08, 2023 and March 24, 2023.

Quorum

The necessary quorum was maintained for all the meetings.

Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of board of directors of the Investment Manager. The Chairperson of the Committee is Independent Director. The company secretary of the Investment Manager acts as the secretary to the Stakeholders' Relationship Committee. The quorum shall be at least 50% of the number of members of the Stakeholders' Relationship Committee and subject to a minimum of two members.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Composition

The composition of the Stakeholders' Relationship Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Janakiraman Subramanian	Independent Director
Mr. Neeraj Sanghi	CEO cum Whole-Time Director
Ms. Ami Momaya	Non-Executive Director

Terms of reference of the Stakeholders' Relationship Committee

The terms of reference of the Stakeholders' Relationship Committee is as follows:

- Considering and resolving grievances of the unitholders, including complaints related to the transfer of units, non-receipt of annual report and non-receipt of declared distributions;
- Considering and resolving grievances of the debenture holders;
- Review of measures taken for effective exercise of voting rights by unitholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing of any litigation related to unitholders'/ debenture holders grievances;
- Undertaking all functions in relation to protection of unitholders' / debenture holders' interests and resolution of any conflicts, including reviewing agreements or transactions in this regard;
- Updating unitholders' / debenture holders' on acquisition / sale of assets by the Company and any change in the capital structure of the SPVs; and
- Reporting specific material litigation related to unitholders' / debenture holders' grievances to the board of directors;

The full details of the terms of reference of the Committee is also available on the Trust's website on https://highwaystrust.com/board-committees/

Meetings of the Stakeholders' Relationship Committee

One Stakeholders' Relationship Committee meeting was held during the year ended March 31, 2023 on February 08, 2023.

Quorum

The necessary quorum was maintained for the meeting.

Risk Management Committee

The Risk Management Committee comprises of board of directors of the Investment Manager. The company secretary of the Investment Manager acts as the secretary to the Committee. The quorum of the meeting shall be at least 2 members out of which 50% shall be Independent Directors.

Composition

The composition of the Risk Management Committee is as follows:

Name of Committee Members	Category
Mr. Neeraj Sanghi	CEO cum Whole-Time Director
Mr. Manish Agarwal	Independent Director
Mr. Narayanan Doraiswamy	Chief Financial Officer

Terms of reference of the Risk Management Committee

The terms of reference of the Risk Management Committee is as follows:

- To formulate a detailed Risk Management Policy which shall include:
  a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  b) Measures for risk mitigation including systems and processes for internal control of identified risks.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

c) Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice); and
- The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee period;

The full details of the terms of reference of the Committee is also available on the Trust's website on https://highwaystrust.com/board-committees/

Meetings of the Risk Management Committee

One Risk Management Committee meeting was held during the year ended March 31, 2023 on February 08, 2023.

Quorum

The necessary quorum was maintained for the meeting.

Other Committees in Relation to the Trust

InvIT Committee:

The InvIT Committee ("Committee") is a committee constituted by the Board of Directors ("Board") of Highway Concessions One Private Limited ("Company").

Composition

The composition of the InvIT Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Neeraj Sanghi	CEO cum Whole-Time Director
Ms. Ami Momaya	Non-Executive Director

Terms of reference of the InvIT Committee

The terms of reference of the InvIT Committee is as follows:

- To do all acts and deeds in relation to any future issues that the InvIT may undertake;
- To authorise and approve any amendments to documents in relation to any future issues that the InvIT may undertake, including preliminary placement memorandum and placement memorandum;
- To decide and finalise the issue opening and issue closing dates of any future issues that the InvIT may undertake;
- To decide and finalise the issue price in relation to any future issues that the InvIT may undertake;
- To decide on all matters in relation to allotment of units to investors; and
- To decide on any other matter that may be routed through the InvIT Committee in relation to any fund raising by the InvIT.

The full details of the terms of reference of the Committee is also available on the Trust's website on https://highwaystrust.com/board-committees/

Meetings of the InvIT Committee

No InvIT Committee meeting was held during the year ended March 31, 2023.

Quorum

No InvIT Committee meeting was held.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

Investment Committee

The Investment Committee comprises of the board of directors of the Investment Manager. The company secretary of the Investment Manager acts as the secretary to the Investment Committee. The quorum shall be at least 50% of the number of members of the Investment Committee and subject to a minimum of two members.

Composition

The composition of the Investment Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Hardik Shah	Non-Executive Director
Mr. Manish Agarwal	Independent Director
Ms. Sudha Krishnan	Independent Director
Mr. Neeraj Sanghi	CEO cum Whole-Time Director

Terms of reference of the Investment Committee

The terms of reference of the Investment Committee is as follows:

- To formulate strategic investment decisions and the expenditures to be involved;
- To review every investment and divestment transaction, including the terms of such transaction, with respect to the underlying assets or projects of the InvIT and the SPVs including any further investment or divestment;
- The Committee shall consider and require completion of all necessary due diligences, including legal and financial, before taking any decision as authorised in point 2 above;
- To review any transactions that are proposed to be entered into by the InvIT that have a potential for a conflict-of-interest in the assessment by the members of the Committee/ Board/ Sponsor/ KKR Group and refer to the Board for a final resolution thereof;
- To evaluate, review and approve all non-binding offers and approve the due diligence and transaction budget for the various Mergers and Amalgamations/ Takeover/Acquisitions opportunities;
- To evaluate, review and recommend to the Board the various Mergers and Amalgamations/ Takeover/ Acquisitions opportunities;
- To review periodically the portfolio investments and monitor the assets of SPVs;
- To receive reports from the valuers with respect to valuation of any assets or projects of the InvIT;
- To identify insurance agencies for entering into contract to secure the underlying assets and projects from any financial losses;
- To review the long-term and short-term investment plans to achieve the objectives of the InvIT and the SPVs;
- To invite an expert to advise the committee on technical matters and to carry out its duties, if necessary;
- To consider any other additional matters, as may be delegated by the Board; and
- To delegate to the officials such powers of the Committee as may be deemed fit by the Committee.

The full details of the terms of reference of the Committee is also available on the Trust's website on https://highwaystrust.com/board-committees/

Meetings of the Investment Committee

Five Investment Committee meetings (including meetings of the Investment Committee Conducted by erstwhile Investment Manager of the Trust) were held during the year ended March 31, 2023 on November 07, 2022, December 23, 2022 and February 08, 2023, March 17, 2023, March 24, 2023,

Quorum

The necessary quorum was maintained for all the meetings.

5. Clauses in Trust deed, investment management agreement or any other agreement entered into pertaining to the activities of the InvIT

During the reporting period, the following agreements were amended:

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

A. Pursuant to the Investment Management Agreement dated December 6, 2021 ("**Initial IM Agreement**"), Virescent Infrastructure Investment Manager Private Limited ("**Virescent Infrastructure**") was appointed as the first Investment Manager of the InvIT, in accordance with the provisions of the InvIT Regulations. Such appointment was made by the Trustee, after conducting an independent analysis and the Virescent Infrastructure was appointed to manage, administer and take any decisions in relation to the InvIT (to the extent delegated by the Trustee, in compliance with the InvIT Regulations), to carry out any and all of the objects and purposes of the InvIT as specified in the Initial IM Agreement and in accordance with the InvIT Regulations, to take any action, exercise any right or make any determination or decision and perform all acts and contracts and other undertakings, subject to applicable law as well as the terms and conditions set out in the Initial IM Agreement and the Deed.

   Virescent Infrastructure on October 18, 2022 resigned from its position to act as the Investment Manager of Highways Infrastructure Trust ("**Trust**"), which was subject to the approval of the unitholders and Securities and Exchange Board of India ("**SEBI**"). In accordance with such resignation, Axis Trustee Services Limited ("**Trustee**"), being the trustee to the Highways Infrastructure Trust called for an Extraordinary General Meeting of unitholders on November 14, 2022 for their approval on the resignation of the erstwhile IM and appointment of Highway Concessions One Private Limited as the new Investment Manager and the same was approved by them. Subsequently, vide letter dated November 22, 2022 (received by us on November 23, 2022), SEBI approved the appointment of Highway Concessions One Private Limited as the new Investment Manager of the Trust.

   With respect to the change in the Investment Manager, a revised Investment Management Agreement was executed on October 20, 2022 between Axis Trustee Services Limited, Highway Concessions One Private Limited and the project SPVs.

B. Virescent Renewable Energy Project Manager Private Limited ("**Virescent PM**") was appointed as the Project Manager for the project SPVs pursuant to the execution of Project Management Agreement dated August 8, 2022. Further, on October 18, 2022 Virescent PM resigned from its position to act as the project manager of project SPVs, which was subject to the approval of the unitholders. In accordance to such resignation, Axis Trustee Services Limited ("**Trustee**"), being the trustee to Highways Infrastructure Trust in consultation with the Virescent Infrastructure identified and intended to appoint HC One Project Manager Private Limited as the new project manager for the SPVs, and accordingly a fresh Project Management Agreement was executed on October 20, 2022 between Axis Trustee Services Limited, Virescent Infrastructure, HC One Project Manager Private Limited and project SPVs. Thereafter, Trustee called an extraordinary general meeting of unitholders on November 14, 2022 and obtained their approval on the resignation of Virescent PM and appointment of HC One Project Manager Private Limited for acting as the Project Manager to SPVs in accordance with the provisions of the InvIT Regulations.

C. On August 8, 2022 a Business Support Services Agreement was executed between Highway Concessions One Private Limited and Virescent PM and the project SPVs wherein Highway Concessions One Private Limited shall act as the Service Provider to the project SPVs by providing services as specified under the said agreement at a fee equivalent to 110% of the costs incurred by the service provider.

   However, on account of resignation of erstwhile IM and PM and subsequent appointment of Highway Concessions One Private Limited as Investment Manager and HC One Project Manager Private Limited as Project Manager a revised Investment Management Agreement and Project Management Agreement dated October 20, 2022 respectively were executed. The Business Support Services agreement was accordingly terminated. In accordance with the terms of these agreements, the consideration of the services to be rendered by the Investment Manager and the Project Manager to the InvIT, SPVs and/or Holdco, as the case may be, the Investment Manager and Project Manager shall charge a fee equivalent to 110% of the costs incurred (based on the benchmarking reports) by the Investment Manager and Project Manager in providing such services or such other percentage as may be mutually agreed in writing ("**Investment Management Fees and Project Management Fee**").

There have been no other changes in the clauses in the Trust Deed or any other agreement entered into pertaining to activities of the InvIT.

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

There have been no regulatory changes that has impacted or may impact cash flows of the underlying projects.

DETAILS OF CHANGES DURING THE YEAR (CONTD.)

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

(i) The Trust has entered into a Share Purchase Agreement on May 03, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. (i) H.G. Ateli Narnaul Highway Private Limited, (ii) H.G. Rewari Ateli Highway Private Limited, (iii) Gurgaon Sohna Highway Private Limited; and (iv) H.G. Rewari Bypass Private Limited. The target entities hold concession agreements under Hybrid Annuity Model granted by National Highways Authority of India ("NHAI") for projects situated in Haryana with a total length of ~ 100 km. Completion of the acquisition is subject to receipt of all regulatory approvals required for the transfer (including from NHAI) and other conditions agreed with the counter party.

(ii) The Trust entered into a Share Purchase Agreement on March 30, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Navayuga Udupi Tollway Private Limited ("NUTPL"). The target entity holds a concession on a design, operate, finance, operate and transfer (DBFOT) basis for four-laning of road at Kundapur-Surathkal and Mangalore-Kerala Border for an aggregated length of ~ 90 km. Completion of the acquisition is subject to receipt of all regulatory approvals required for the transfer (including from NHAI) and other conditions agreed with the counter party.

(iii) In the case of all the SPVs i.e. UEPL, DBCPL, NBL, GEPL, JPEPL and SEPL, these SPVs have directly issued contracts to all the contractors e.g. Toll Collection, Routine Maintenance, Major Maintenance, Incident Management Services etc. and are directly making the payments to these respective contractors.

Their are no other changes in material contracts or any new risk in performance of any contracts pertaining to the InvIT.

8. Legal proceedings

During the reporting period, there have been no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust. A summary of material litigation is set out on page no. 54.

9. Financial Information of Investment Manager:

The financial information of Investment Manager is not disclosed because of the fact that there is no material erosion in the net worth as compared to the net worth as per the last disclosed financial statements.

POLICIES OF THE BOARD OF DIRECTORS OF THE INVESTMENT MANAGER IN RELATION TO THE TRUST

In order to adhere to the good governance practices, the Investment Manager has adopted the following policies in relation to the Trust in accordance with applicable law and the SEBI InvIT Regulations. The policies which are mandatory to the Trust are uploaded on the website of the Trust and such policies are available on the website of the Trust at https://highwaystrust.com/key-policies-2/

The terms of appointment of Non-Executive Independent Director is available on the website of the Trust at https://highwaystrust.com/wp-content/uploads/2023/04/HIT-Terms-of-Appointment.pdf

Sl. No.	Name of the Policy	Coverage
1	Distribution policy	The Policy on distribution of the net distributable cash flows of the Trust aims at formulating a structure for timely declaration of distribution of such Distributable Income to the Unitholders of the Trust.
2	Borrowing policy	Borrowing Policy aims to outline the borrowing strategy and process in relation to Highways Infrastructure Trust adopted by the Board of Directors of the Investment Manager.
3	Code of Conduct for the employees and directors	Outlining the standard of conduct and the values and principles of the Company. This policy sets out the Company's approach and guidelines on preventing, identifying, and disclosing any actual, potential, or perceived Conflict of Interest that may arise during the regular course of business.
4	Related Party Policy	The Related Party Policy is framed based on the provisions of the Companies Act, 2013 read with rules made thereunder and the InvIT Regulations. The Policy intends to ensure governance and reporting of transactions between the Company, the Trust and their Related Parties. The objective of this Policy is: to ensure transparency and fairness of Related Party transactions; and to ensure proper approval, supervision and reporting of the transactions and regulate the manner of dealing with the transactions between the Company, the Trust and their Related Parties.
5	Policy for determining Materiality of Information	The policy for determining materiality of information for periodic disclosures aims to outline process and procedures for determining materiality of information in relation to periodic disclosures required to be made on the website of the stock exchanges and to all stakeholders at large, in relation to the Trust. The purpose of the Policy is also to ensure that the Trust complies with applicable law, including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder and the listing agreements to be entered into with the stock exchanges.
6	Policy on UPSI and dealing in units by the parties	The policy aims to outline process and procedures for dissemination of information and disclosures in relation to the Trust on the website of the Trust, to the stock exchanges and to all stakeholders at large. The purpose of the Policy is also to ensure that the Trust and Investment Manager complies with applicable law, including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder, or such other Indian laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.
7	Policy on appointment of Auditors and Valuers	The Policy aims at formulating a structure for ensuring compliance by the Trust, in appointment of its auditor and the auditing standards followed and the appointment of its valuer, with applicable law as applicable to an infrastructure investment trust, including the SEBI InvIT Regulations
8	Risk Management Policy	The Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Trust's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues
9	Nomination & Remuneration Policy	The policy is to establish governance standards for determining of compensation and remuneration of employees of IM.
10	Investment Policy (treasury)	Treasury management, in context of the Trust, comprise management of cash and liquidity of the Trust and the Holding Companies ("HoldCos") and Special Purpose Vehicles ("SPVs") owned by the Trust.
11	Policy on Preservation of Documents and Archival Policy	In terms of Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations"**), the Policy on preservation of documents and Archival Policy aims to provide a comprehensive policy on the preservation and conservation of the records and documents of the Trust. It provides guidance on the preservation and management of documents to help ensure the authenticity, reliability and accessibility of such documents.
12	Policy for Diversity, Equality and Inclusion (DEI)	The policy to demonstrate commitment of Diversity, Equality & Inclusion.

POLICIES OF THE BOARD OF DIRECTORS OF THE INVESTMENT MANAGER IN RELATION TO THE TRUST (CONTD.)

Sl. No.	Name of the Policy	Coverage
13	Anti-Bribery and Corruption Policy	Policy prohibiting our employees / consultants from engaging in bribery or corruption
14	Vigil Mechanism Policy	Policy for establishing a framework to facilitate the reporting of any wrongdoings, grievances, or other areas of concern regarding the operations of the organization.
16	Third Party Code of Conduct	Policy to codify general principles that govern the dealing of third parties with the Company
17	Environmental, Social & Governance (ESG) Policy	This policy intends to define clear framework enabling HIT in considering ESG factors in their business. The objective of the Committee is to prevent, detect, investigate and discipline unlawful or unethical behavior, take necessary corrective action and enforce adherence to all Company's policies.
18	Code of Conduct for InvIT Parties	This Policy on code of conduct required for Parties to the Trust aims at formulating a framework for ensuring protection of interest of all the Unitholders of the InvIT and proper conduct and carrying out of the business and affairs of the Trust in accordance with applicable law, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder.
19	Corporate Social Responsibility ("**CSR**") Policy	Policy for establishing a framework for identification of contribution and post contribution monitoring to ensure appropriate deployment of funds earmarked for CSR.

Disclosure of Sexual Harassment of Women at Workplace

HC One acting as Investment Manager of the Trust provides equal opportunities and is committed for creating a healthy working environment that enables employees to work with equality and without fear of discrimination, prejudice, gender bias or any form of harassment at the workplace.

The Investment Manager has in place an Anti-Harassment Policy/ Prevention of Sexual Harassment (POSH) Policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy is communicated at regular intervals to all employees (permanent, contractual, temporary, trainees) through programs conducted at the registered office.

The Investment Manager has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The ICC comprises of the following members:

Sr. No.	Name	Designation
1	Ms. Savita Nayak	Presiding Officer
2	Dr. Deepa Sharma	Member from Non-Government Organisation
3	Ms. Meghana Singh	Member
4	Vidyadhar Dabholkar	Member

During 2022-23, no complaint was received by the Internal Complaints Committee (ICC).

As required under Section 21 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the annual report on Sexual Harassment was submitted to the Office of Collector & District Magistrate Mumbai on January 04, 2023.

UNIT PRICE PERFORMANCE AND DISTRIBUTIONS

Initial offer of units through filing of final placement memorandum representing an undivided beneficial interest in the Trust by way of a private placement, in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, read together with the circulars and guidelines issued thereunder ("SEBI InvIT Regulations") was undertaken in August 22, 2022.

The Trust received the final approval of admission of dealings units w.e.f. August 25, 2022 on the National Stock Exchange of India Limited (the "NSE" or the "Stock Exchange") acting as Designated Stock Exchange. The description of Units of the Trust are as under:

Sr. No.	Description of Securities	Symbol	Series	No. of Securities	Mkt. Lot
1	Units of InvIT of INR 100/- each fully paid up	HIGHWAYS	IV	415500000	200000

The Trust has made an initial offer by way of fresh issue of 4,16,00,000 Units through a private placement at a price of INR 100 per unit (the "Issue Price"), aggregating to INR 4,160 million (the "Issue"). Further 37,39,00,000 units were issued to the Sponsor as part of the formation transaction.

Securities Information listed on NSE

Board Status	Trading Status	Trading Segment	Session No.	SLB	Class of Shares	Derivatives	Face Value	Issued Capital (Shares)	Surveillance Indicator
MAIN	ACTIVE	NORMAL MARKET	-	NO	EQUITY	NO	100	41,55,00,000	NA

Opening and closing of Bid

The Board of erstwhile Investment Manager in their meeting on August 08, 2022 had approved the Bid/ Issue Opening Date and Bid/ Issue Closing Date as under: -

"Bid/ Issue Opening Date: August 19, 2022"

"Bid/ Issue Closing Date: August 22, 2022"

Allotment of Units

The Board of erstwhile Investment Manager in their meeting on August 23, 2022 had approved the allotment of 37,39,00,000 Units of Highways Infrastructure Trust ("HIT") at an issue price of INR 100 per unit, being 89.99% of the total issued units of the Trust to Galaxy Investments II Pte. Ltd. (the "**Sponsor**"). The consideration being discharged by way of swap of securities held by the Sponsor in the project SPVs.

Subsequently, the Board of erstwhile Investment Manager in their meeting on August 24, 2022 had further approved the allotment of units aggregating to 4,16,00,000 to the eligible institutional investors and bodies corporate as defined under the SEBI InvIT Regulations at the issue price of INR 100 per Unit, being 10.01% of the total issued units against receipt of full payment of application monies in the designated account opened for the issue, aggregating to INR 416,00,00,000 in accordance with the details specified in the application form of the Trust.

During the period under review, the Trust has allotted 41,55,00,000 units at an issue price of INR 100 per Unit till March 31, 2023. The Trust has not issued any further allotment thereafter till the reporting date.

UNIT PRICE PERFORMANCE AND DISTRIBUTIONS (CONTD.)

Unit price quoted on NSE Limited at the beginning and the end of the year, the highest and the lowest unit price and the average daily volume traded during the financial year

The Trust had allotted 41,55,00,000 units of INR 100 each on August 23 & 24, 2022 which were listed on NSE w.e.f. August 25, 2022. Since the date of listing, the units have been very thinly traded and accordingly the aforesaid data is not applicable as on March 31, 2023.

Distributions made by the Trust

The Investment Manager on behalf of the Trust has made four distribution(s) aggregating to INR 16.21 per unit (Cumulative Distribution) for the period ended March 31, 2023.

Pursuant to the provisions of the SEBI InvIT Regulations and in line with the Distribution Policy of the Trust, the Transaction Documents and the Trust Documents, the investment manager of the Trust, has made timely distributions to the Unitholders. The detailed policy and the history of the distribution to the unitholders are also available on the website of the trust at www.highwaystrust.com.

The Investment Manager on behalf of the Trust has made the following Distributions till date:

Distribution	Date of approval of distribution	Record date of distribution	Total Distribution per unit	Interest per unit	Return of Capital per unit	Dividend per unit	Other Income	Cumulative Distribution
First Distribution	November 11, 2022	November 19, 2022	4.84	1.49	0.86	2.49	–	4.84
Second Distribution	February 08, 2023	February 14, 2023	4.84	1.99	1.45	1.36	0.03	9.68
Third Distribution	March 08, 2023	March 17, 2023	4.84	-	4.84	–	–	14.52
Fourth Distribution	May 19, 2023	May 27, 2023	1.69	0.70	0.69	0.30	–	16.21

Note: Rounded off up to two decimal.

DETAILS OF MATERIAL LITIGATIONS

1. Litigation involving the Trust

   There is no pending litigation involving the Trust during the period under review.

2. Litigation involving the Sponsor

   As at the date of this Annual Report, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Sponsor.

3. Litigation involving the Investment Manager

   As at the date of this Annual Report, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Investment Manager.

4. Litigation involving the Project Manager

   As at the date of this Annual Report, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Project Manager.

5 Litigation involving the Trustee

   The Trustee has confirmed that there are no material litigations against the Trustee.

6. Litigation involving the Associates of the Sponsor, Investment Manager and Project Manager, including the common associates of the Sponsor the Investment Manager and the Project Manager, if any.

Brief details of material litigations and regulatory actions, which are pending, against the Trust, sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee if any, as at the end of the period are provided as under:

Court Matters:

Sl. No.	Case/ Claim Details	Disputed Amount (Excluding Interest) (in Millions)	Current Status
1	Ulundurpet Expressways Pvt. Ltd. (UEPL)		
	No ongoing court matters		
2	Dewas Bhopal Corridor Pvt. Ltd. (DBCPL)		
i.	**Labour Cess** (Indemnity): DBCPL Vs. MP Labor Commission 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.	INR 46.80	• MP High Court on September 09, 2015 (corrected vide order dated September 30, 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 final hearing.
ii.	**Stamp Duty on execution of Concession Agreement** (Indemnity): DBCPL Vs. State of MP and others 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.	INR 89.00	• Supreme Court on September 13, 2013 ordered that, interim stay granted earlier is extended until further orders. • At present, case is pending final hearing.

DETAILS OF MATERIAL LITIGATIONS (CONTD.)

Sl. No.	Case/ Claim Details	Disputed Amount (Excluding Interest) (in Millions)	Current Status
3	**Nirmal BOT Ltd. (NBL)**		
i.	**Stamp Duty on execution of Concession Agreement** (Indemnity)**:** NBL Vs. State of AP 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.	INR 135.90	• AP High Court on June 09, 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.
4	**Godhra Expressways Pvt. Ltd. (GEPL)**		
	No ongoing court matters		
5	**Shillong Expressways Pvt. Ltd. (SEPL)**		
i.	**Additional bonus Annuity/ COS** (Pass through)**:** SEPL Vs. NHAI SEPL raised certain claims before the Arbitral Tribunal ("**Tribunal**"), against NHAI in relation to certain delays and defaults on part of NHAI, which resulted in breach of various provisions of the SEPL Concession Agreement. Such defaults by NHAI included, amongst others, (i) change in scope, (ii) faulty and factually incorrect drawings, and (iii) additional requirement of land ("**Defaults**"). Due to such Defaults, SEPL was not able to complete the relevant project highway as per the proposed timeline and in relation to which SEL also put forth eight claims before the Tribunal. The Tribunal by way of its award dated June 27, 2018, awarded a claim of ₹ 274.20 million in favour of SEL along with advancing the annuity dates as prayed by SEPL ("**Award**").	INR 143.50	• Subsequently, SEPL filed an execution petition dated October 26, 2018 ("Execution Petition") before the High Court of Delhi ("Court") for seeking the execution of the decree and direction to NHAI to pay the amount as sought by the Award. Thereafter, NHAI filed an application before the Court for setting aside the Award, which was dismissed by the Court by of its order dated November 2, 2018 ("Court Order"). • Thereafter, NHAI filed an appeal dated January 7, 2019 ("NHAI Appeal") challenging the Court Order before the Commercial Appellate Divisional bench of the Court ("Appellate Bench"). The Appellate Bench by way of an interim order dated January 22, 2019 upheld the partial Award and directed NHAI to deposit the amount towards additional bonus annuity i.e. INR 106.30 million with an additional interest amount of INR 37.20 million within a period of four weeks with the Court. The direction was complied with by NHAI. • The matter is currently pending in respect to the Execution Petition and the NHAI Appeal.
6	**Jodhpur Pali Expressway Pvt. Ltd. (JPEPL)**		
	No ongoing court matters		

Note:

i. Pass through: The project SPV needs to pass through the proceedings received, if any, to the erstwhile shareholders.

ii. Indemnity: The project SPV indemnified by the erstwhile shareholders in this matter.

DETAILS OF MATERIAL LITIGATIONS (CONTD.)

Litigations involving associates of Sponsor:

The following disclosure is made on the basis of public filings made by KKR &Co Inc. ("KKR") with the United States Securities and Exchange Commission for the period ended March 31, 2023

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory proceedings against them.

In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers were named as defendants in a lawsuit filed in Kentucky state court alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. KKR and other defendants' motions to dismiss were denied by the trial court in November 2018, but in April 2019 the Kentucky Court of Appeals vacated the trial court's opinion and order denying the motions to dismiss the case for lack of standing. The decision of the Court of Appeals was appealed by plaintiffs to the Supreme Court of Kentucky. On July 9, 2020, the Supreme Court of Kentucky reversed the trial court's order and remanded the case to the trial court with direction to dismiss the complaint for lack of constitutional standing. On July 20, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a motion to intervene as a plaintiff in the lawsuit and on July 21, 2020 filed a new lawsuit in the same Kentucky trial court making essentially the same allegations against the defendants, including KKR & Co. Inc. and Messrs. Kravis and Roberts. On July 29, 2020, certain private plaintiffs in the original lawsuit filed a motion to further amend their original complaint and to add new plaintiffs. On July 30, 2020, KKR and other defendants filed objections to the Attorney General's motion to intervene. On December 28, 2020, the trial court dismissed the complaint filed by the original plaintiffs and denied their motion to amend their original complaint and add new plaintiffs, but granted the Office of the Attorney General's motion to intervene. In January 2021, some of the attorneys for the private plaintiffs in the original lawsuit filed a new lawsuit, and a motion to intervene in the original lawsuit, on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems, alleging substantially the same allegations as in the original lawsuit. The motion to intervene in the original lawsuit was denied. These "Tier 3" plaintiffs appealed the denial of their motion to intervene but then voluntarily dismissed their appeal on January 31, 2022. In addition, the Kentucky Retirement Systems had commissioned an investigation into certain matters alleged in the Attorney General's complaint. The trial court ordered that this investigation be completed by May 17, 2021, and the Attorney General was permitted to amend its complaint after reviewing the investigation's report within ten days of the Attorney General's receipt of it. On May 24, 2021, the Attorney General filed a First Amended Complaint on behalf of the Commonwealth of Kentucky. This complaint continues to name KKR & Co. L.P. and its then Co-Chief Executive Officers, as defendants, and makes similar allegations against them. KKR and the other defendants moved to dismiss the First Amended Complaint on July 30, 2021. The court held oral argument on these motions to dismiss on December 14, 2021. On July 9, 2021, the individual plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("RICO"). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the Attorney General's lawsuit on behalf of the Commonwealth.

On August 20, 2021, the same and other individual plaintiffs filed a second complaint in Kentucky state court, purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against KKR & Co. Inc. and Messrs. Kravis and Roberts as in the July 9th amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the August 20, 2021 complaint by the Tier 3 plaintiffs, whose motions are awaiting a decision from the Kentucky state court. On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to KKR & Co. Inc. and Prisma Capital Partners LP, the Kentucky state court found that it has personal jurisdiction over KKR & Co. Inc., and this finding is currently being appealed by KKR. On May 27, 2022, following a motion by KKR, the judge then adjudicating the lawsuits recused himself from the original 2017 action and the second Tier 3 action, and a new judge was assigned. On December 9, 2022, the new judge issued an order that held in abeyance the motions to dismiss filed by KKR and other defendants pending the outcome of appeals which challenge the trial court's December 28, 2020 order granting the Attorney General's motion to intervene. On April 14, 2023, the Kentucky Court of Appeals ruled in favor of KKR and the other defendants in their appeal of the trial court's December 28, 2020 order granting the Kentucky Attorney General's motion to intervene in the 2017 action, including that the trial court should have dismissed the entire

DETAILS OF MATERIAL LITIGATIONS (CONTD.)

2017 action after the Kentucky Supreme Court's 2020 decision. On May 4, 2023, the Attorney General filed a petition for rehearing with the Court of Appeals. The Court of Appeals' April 14, 2023 decision does not dismiss the Kentucky Attorney General's standalone lawsuit filed on July 21, 2020.

KKR (including Global Atlantic) currently is and expects to continue to become, from time to time, subject to examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, U.S. Department of Justice, U.S. state attorney generals, Financial Industry Regulatory Authority ("FINRA"), the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings or fines against KKR or its personnel. KKR is presently subject to civil investigations and inquiries by the U.S. Department of Justice related to antitrust matters and by the SEC related to business-related electronic communications. KKR is currently cooperating with these civil investigations and inquiries.

Moreover, in the ordinary course of business, KKR (including Global Atlantic) is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

KKR establishes an accrued liability for legal proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. In such cases, there may be an exposure to loss in excess of any amounts accrued. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters may be subject to many uncertainties, including among others: (i) the proceedings may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved or (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties. Consequently, management is unable to estimate a range of potential loss, if any, related to these matters. In addition, loss contingencies may be, in part or in whole, subject to insurance or other payments such as contributions and/or indemnity, which may reduce any ultimate loss. KKR has included in its financial statements the reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements, including with respect to matters arising from the conversion of life insurance policies from systems previously managed by Athene Holdings Limited to the platform of one of Global Atlantic's third party service providers, Alliance-One, a subsidiary of DXC Technology Company.

It is not possible to predict the ultimate outcome of all pending legal proceedings, and some of the matters discussed above seek or may seek potentially large and/or indeterminate amounts. Based on information known by management, management has not concluded that the final resolutions of the matters above will have a material effect upon the financial statements. However, given the potentially large and/or indeterminate amounts sought or may be sought in certain of these matters and the inherent unpredictability of investigations and litigations, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on KKR's financial results in any particular period.

RISK FACTORS

In this section (i) "We", "Our", "InvIT" means the Trust and/ or project SPVs owned by the Trust; (ii) "Erstwhile Investment Manager" means Virescent Infrastructure Investment Manager Private Limited: and (iii) "Erstwhile Project Manager" means Virescent Renewable Energy Project Manager Private Limited. The identified certain risk factors broadly in relation to the Trust's business and industry are as under: -

RISKS RELATING TO THE TRUST'S BUSINESS AND INDUSTRY

1. *The Trust is a newly settled Trust with no established operating history and no historical financial information and, as a result, investors may not be able to assess its prospects on the basis of past records.*

   The Trust was established on December 3, 2021; registered with SEBI on December 23, 2021 and acquired 100% of the issued and paid-up equity share capital of the project SPVs in August 2022. Accordingly, the Trust, as an infrastructure investment trust, has a limited operating history and historical financial information by which our past performance may be judged. There can be no assurance that we will be able to generate sufficient revenue from our operations or that the project SPVs will be able to generate sufficient cash flows from the operations of the projects to make distributions to our Unitholders.

2. *We may be subject to penalties and claims from the concessioning authorities and third parties during the course of operations of the Project and may not be able to recover all operational losses from the Erstwhile Project Manager, Project Manager and/ or other contractors providing operations and maintenance services to the projects.*

   The project SPVs may, from time to time, receive letters and notices from the concessioning authorities or other third parties imposing penalties and seeking claims for any deficiencies or non-compliance with the terms of the concession agreement or other project agreements or a claim or compensation under the terms of the concession agreements. The project SPVs may contest such claims or invoke any indemnification provided by the Erstwhile Project Manager, Project Manager and/ or any O&M contractor it has appointed or may appoint. However, there would be an adverse effect on the Project SPV's operations and financial condition if a claim is decided against such Project SPV.

   Further, the maximum aggregate liability of the Erstwhile Manager and/ or the Project Manager for any breach of any of the terms of the relevant agreement in a particular year, shall be limited to the service fee payable to the such entity for that year. Accordingly, claims exceeding the amount limits, which are not the liability of the Erstwhile Project Manager or the Project Manager, would have an adverse effect on the project SPVs' financial performance. Similarly, the limitation of liability of the O&M Contractors under the relevant O&M Agreements (other than the major maintenance agreements) is in the range of 10 to 12 percentage of the annual fee paid. Further, in case of major maintenance contracts, the limitation of liability of the O&M Contractors under the relevant O&M Agreements is typically 5% of the annual fee.

3. *The Valuation Report by Mr. S. Sundararaman (the "Valuer") is not an opinion as to the future trading price of Units or the financial condition of the Trust, and the valuation of the project SPVs contained in such Valuation Report may not be indicative of the true value of the project SPVs.*

   Mr. S. Sundararaman was appointed as the independent valuer (the "Valuer") to undertake independent appraisals of the project SPVs. The Valuer issued a letter and a report appended to it (together, the "Valuation Report"), which sets out its opinion as to the fair enterprise value of the project SPVs as of March 31, 2023. The Valuation Report is based on various assumptions with respect to the Project SPVs, including, amongst others, their revenue, cash flows, O&M expenses, major maintenance and repairs costs, depreciation and amortization, capital expenditure and working capital. Further, the valuation report has also taken into account potential extensions of the concession agreements in relation to two of our project SPVs. Such assumptions are based on the information provided by, and discussions with, the Investment Manager. Further, the Valuation Report 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.

   The Valuation Report is not an opinion, express or implied, as to the future trading price of Units or the financial condition of the Highways Trust. Further, the Valuation Report is necessarily based on financial, economic, monetary, market and other conditions as of the date of the Valuation Report. The Valuation Report has not been updated since the date of its issue and does not take into account any developments subsequent to the date of its issue.

   Overall, there can be no assurance that the Valuation Report reflects the true value of the project SPVs or that other independent valuers would arrive at the same valuation.

RISK FACTORS (CONTD.)

4. *The project SPVs have entered into concession agreements which contain certain onerous provisions and any failure to comply with such concession agreements could result in adverse consequences including penalties and the substitution of the concessionaire.*

   The project SPVs have entered into concession agreements with their respective concessioning authorities with which the project SPVs have a limited ability to negotiate the terms of the concession agreements. As a result, the concession agreements contain terms that may be onerous to the project SPVs in relation to, among other things, compliance with and monitoring of O&M requirements. The O&M requirements include, among other things, permitting the safe, smooth and uninterrupted flow of traffic, undertaking routine maintenance, including repairs of potholes, cracks, concrete joints, drains, line markings, lighting and signage, undertaking major maintenance in accordance with the relevant concession agreement, including but not limited to resurfacing of pavements, repairs to structures, and repairs and refurbishment of tolling system and other equipment and preventing, with the assistance of the concerned law enforcement agencies, any encroachments on, or unauthorized entry to the relevant Project. Failure to comply with these requirements could result in adverse consequences, including the project SPVs being liable for compensating the relevant concessioning authorities for such breach or termination.

   The concession agreements also require the project SPVs to indemnify the concessioning authorities, including for losses arising out of, or with respect to, the failure of the concessionaire to comply with applicable laws and permits, payment of taxes payable by the concessionaire or the non-payment of amounts arising out of materials or services provided to the relevant Project SPV, among others.

   Further, the GoI or respective State Governments where the project SPVs are located, may, on the occurrence of certain events, suspend toll collection at any of the projects. For example, as part of the GoI's demonetisation exercise, the GoI announced a toll exemption for all vehicles across all toll plazas from November 9, 2016 to December 2, 2016. Further, during the national and state lockdowns imposed from March 24, 2020 in India on account of the COVID-19 pandemic, the concessioning authorities suspended toll collection for a certain period. The lockdowns and these instances resulted in huge revenue loss and other work constraints (such as availability of labour and spare parts) for entities operating in the road sector, including the project SPVs. There is no assurance that if such situations occur in the future, to the extent the Highways Trust faces any loss of revenue, it would be able to claim for such loss of revenue and any such claim would be successful.

5. *The flexibility of the Highways Trust and the project SPVs to utilise available funds may be restricted by the escrow arrangements they are required to maintain under the concession agreements.*

   Under the terms of the concession agreements, the project SPVs are required to establish escrow accounts. The project SPVs are required to deposit all their cash inflows and receipts into the escrow accounts, including, among other things, tolls collected from the projects and any payments (including termination payments) by the concessioning authorities. The funds in such escrow accounts are to be utilised only in the manner prescribed in the escrow agreements and the concession agreements. The escrow arrangements typically prioritise the payment of all taxes due and payable by the Project SPV, followed by the payment of expenses in connection with, amongst others, (i) the construction of the projects, (ii) O&M expenses and other costs and expenses incurred by the relevant concessioning authority, (iii) any payments and dues payable to the relevant concessioning authority, and (v) debt servicing of the project lenders. The balance, if any, will be in accordance with the instructions of the project SPVs.

   Any withdrawals from the escrow accounts by the project SPVs during the concession periods must be made strictly in accordance with the terms of the concession agreements, debt documentation and escrow agreements, thereby limiting the flexibility of the project SPVs in utilising available funds to plan for, or react to, changes in their business needs, which could have an adverse effect on their business, financial condition and results of operations. These provisions may limit the ability of the Trust to make distributions to its unitholders.

6. *The concession agreements may be terminated prematurely under certain circumstances.*

   Under the terms of concession agreements entered into by the project SPVs, we have obligations to maintain our BOT and DBFOT road projects in good working order and maintain the roads periodically. Our road projects require repair or maintenance due to natural disasters, accidents and other factors beyond our control. The concessioning authorities will periodically carry out tests through one or more engineering firms to assess the quality of roads and their maintenance. If we fail to maintain the roads to the standards set forth in the relevant concession agreements, the concessioning authorities may impose penalties, withhold annuity payments and demand remedies within cure periods. If we fail to cure our defaults in a timely manner within such time as may be prescribed under

RISK FACTORS (CONTD.)

the concession agreement, our concession agreements may be terminated.

If a concession agreement is terminated by the concessioning authorities due to a default by a Project SPV, or by the Project SPV due to a default by the concessioning authorities, such Project SPV is entitled to termination payments or otherwise from the concessioning authorities in accordance with the terms of the relevant concession agreement.

Any failure by a Project SPV to maintain the relevant Project according to the terms of the concession agreement will entitle the concessioning authorities to terminate the concession agreement or take remedial actions at the risk and cost of the Project SPV and recover such cost and damages from the Project SPV from the escrow account as if such costs and damages were O&M expenses.

If a concession agreement is terminated by the concessioning authority due to a default by a Project SPV, the Project SPV may be exposed to additional liability as it is obliged to repair or rectify, at its own cost, any defects or deficiencies identified by the independent engineer of the Project for a period specified in the concession agreement upon such termination. In addition, the termination payment by the concessioning authority due to a default by a Project SPV, will be calculated according to the terms of the concession agreement, which may be less than the actual cost incurred by a Project SPV on its Project. Consequently, not only would the Project SPV recover less than the costs incurred, but such an occurrence would also have an adverse effect on the Highways Trust's financial performance.

The project SPVs have obtained loans from the Trust, there can be no assurance that the concessioning authorities will recognize such amounts as outstanding after the term of the original facilities obtained by the project SPVs from their respective senior lenders or allow creation/enforcement of security interest over the assets/ shares of the respective project SPVs to secure such financing.

There have been instances in India where the concessioning authority have terminated concession agreements to implement capacity augmentation for the project. In such cases, the concession holder will be entitled to compensation which typically covers the debt due (calculated as per the formula set out in the agreement) and certain returns on the equity invested in the project cost. There can be no assurance that such the amounts so paid will be equivalent to the cash flows which would have otherwise been generated from the project, and can potentially negatively impact the ability of the Trust to service the outstanding amounts under the financing agreement and provide returns to its unitholders.

7. *The Trust's financing agreements may entail interest at variable rates, and any increases in interest rates may adversely affect our results of operations, financial condition and cash flows. Further, the Highways Trust may be subject to restrictive covenants under their financing agreements that could limit our flexibility in managing our business or to use cash or other assets.*

We expect that rupee loan financing agreements/ bonds of the Highways Trust entail interest at variable rates with a provision for the periodic reset of interest rates. Under the said financing agreements, the lenders may be entitled to change the applicable rate of interest on any date and accordingly, the Highways Trust may be susceptible to changes in interest rates and the risks arising therefrom. Any increase in interest rates may have an adverse effect on our results of operations, financial condition and cash flows.

Further, the financing agreements entered into by the Highways Trust with certain banks and financial institutions contain certain restrictive covenants and cross default provisions. The financing agreements restrict the Highways Trust from, amongst other things, (i) incurring any indebtedness without prior approval of the lenders, other than indebtedness specifically permitted pursuant to the documents executed in connection with the facility from the lenders; (ii) make any capital expenditure or acquiring fixed assets on lease without prior consent of the lenders; and (iii) effecting changes in its ownership without prior approval of the lenders. In addition, these restrictive covenants may also affect some of the Highways Trust's ability to pay the distributions. In the event of any breach of any covenant contained in these financing agreements, apart from other consequences, the security trustee may enforce the security under the financing agreements which may adversely affect our business, financial condition and results of operations. We may also be required to immediately repay our borrowings either in whole or in part, together with any related costs. Any default in such repayments will entitle our lenders to enforce its securities including taking over our project SPVs.

8. *The project SPVs acquired from the Sponsor may be subject to certain risks, which may result in damages and losses. We may not be able to recover losses arising from the acquisition of the project SPVs from the Sponsor or third parties under relevant contractual arrangements.*

RISK FACTORS (CONTD.)

The project SPVs were not originally owned by the Sponsor, and were acquired by the Sponsor from India Infrastructure Fund, India Infrastructure Fund-II and Highway Concessions One Private Limited ("Original Seller") pursuant to share purchase agreements dated July 4, 2021 and the amended and restated share purchase agreement dated December 15, 2021 ("IIF SPAs"). The Highways Trust has relied on certain information and management representations provided by the Original Sellers uptil the date of acquisition of the project SPVs by the Sponsor and accordingly any adverse impact pursuant to such information or representations may affect the Highways Trust's earnings and cash flows. While, the IIF SPAs have been assigned to the Highways Trust , there is no assurance of enforcement and recovery of any losses arising on account of defects or deficiencies or any other issues in the Initial SPVs from the Original Sellers. Further, the Sponsor has not provided any representations in relation to the project SPVs for the time period between the date of acquisition of the project SPVs by the Sponsor and the date of Trust's acquisition of the project SPVs. There is no assurance that in the event any of defects or deficiencies in the project SPVs, we will be able to raise any claim or recover any losses from the Sponsor, in a timely manner, or at all.

Further, the project SPVs may have defects or deficiencies that were unknown or unquantified at the time of acquisition of the project SPVs and that may require additional capital expenditure or obligations to third parties, including to the relevant concessioning and statutory authorities, which may have an adverse effect on the Highways Trust's earnings and cash flows and the distributions to the Unitholders.

9. *Lower than expected returns on our investment in our projects may adversely affect our financial results.*

In our annuity based projects, our revenue depends on the fixed amounts paid to us semi-annually by our government clients. The amount of annuity is not necessarily linked to investment and will only be calculated pursuant to the relevant concession agreements. In our toll-based projects or projects with a toll component, our toll revenue depends on the tolling rates set by the relevant concessioning authority in accordance with the relevant concession agreements and the actual traffic volume using our roads. Our decision to undertake BOT or DBFOT road projects is largely based on our estimate of our expected toll revenue, which in turn is partly based on our estimate of the traffic volume using our roads.

Traffic volume may be affected by a number of factors beyond our control, including general economic conditions, alternate routes, alternate means of transportation, location of toll plazas, weather conditions, demographic changes, fuel prices, reduction in commercial or industrial activities in the regions served by the roads and natural disasters. Thus the actual traffic volume may be lower than our estimate. Any decrease in traffic volume, could result in a significant loss of our toll revenue. In addition, our concession agreements typically limit and regulate increases in tolling fees. In accordance with the Concession Agreements, the NHAI or other applicable authority sets the applicable tolling rates which is revised by such authority and we may not be able to increase tolling rates to cover increases in our operational costs.

Many factors causing such adverse changes (including lack of traffic or the fee revisions not being implemented) are beyond our control and we are usually not able to demand matching increases in our tolling fees over and above certain fixed increases, in accordance with the concession agreements.

As our projects often require significant capital investment with potential returns spread over a long period of time, inadequate toll revenues and annuities collected from our projects may result in a low return or even loss on our investment, which may adversely affect our liquidity, business, financial condition and results of operation.

10. *The acquisition of new assets may expose us to risks and have an adverse impact on our operations.*

The acquisition of new assets/ SPV may entail integration and management of these future assets to realize economies of scale and control costs, as well as other risks, including diversion of management resources otherwise available for ongoing development of our business. The acquisition may cause disruptions to our operations and divert management's attention away from day-to-day operations. Newly acquired assets may require significant management attention that would otherwise be devoted to our ongoing business. Despite pre-acquisition due diligence, we do not believe that it is possible to fully understand an asset before it is owned and operated for an extended time. Further, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to achieve or may not be achieved at all.

Further, the acquisition of the new assets/ SPV and any other alliances in the future may expose us to the risk of unanticipated business uncertainties or legal liabilities including defects in title and lack of appropriate approvals/ licenses in place for which the relevant parties in relation to such future assets may or may not indemnify us.

RISK FACTORS (CONTD.)

11. *Leakage of the tolls collected on the toll-linked projects may adversely affect the relevant project SPVs' revenues and earnings.*

    Four of the projects are exclusively toll based and two of the projects are annuity projects. Toll receipts are primarily dependent on the integrity of toll collection systems. The project SPVs that have a toll component generate revenues from the projects through the collection of tolls. On Indian toll roads, each motorist generally pays a one-time entry tariff to the toll operator at the point of entry to the toll road based on the average trip distance calculated for all users of the toll road. Such project SPVs employ toll management software to monitor their operations.

    Further, there may be occasions where political parties and local communities protest against the collection of tolls on roads. During such an event, a Project SPV could have limited ability to collect toll. Under the terms of the project SPVs' concession agreements, in the event that the concession agreement is terminated by either party as a result of an occurrence of a political event, the relevant concessioning authority is required to make payments to the affected Project SPV as a result of such an event; however there is no assurance that concessioning authorities will do so in a timely manner or at all.

    The level of revenues derived from the collection of tolls may be affected by reduction in toll rates as determined by the concessioning authorities. Toll revenues may also be affected by leakage through toll evasion, theft, fraud or technical faults in the toll systems or forced violations by users of toll roads.

12. *Our operating expenses are dependent on the routine and periodic major maintenance obligations contained in the concession agreements and are subject to fluctuations.*

    The project SPVs are required to operate and maintain the projects in accordance with the respective concession agreements. Accordingly, the project SPVs prepare a maintenance manual and a maintenance program in consultation with an independent engineer appointed by the NHAI or other concessioning authority for each Project, and are required to abide by the same. The project SPVs' maintenance obligations are primarily to operate and maintain the projects in order to permit the safe, smooth and uninterrupted flow of traffic and the related work and maintenance that they are required to undertake in order to fulfil such obligations.

    Routine and periodic major maintenance costs mainly comprise costs of raw materials and other items including fuel, equipment costs and labour expenses, besides maintenance and replacement of hardware, software, tolling expenses and equipment. The prices and supply of raw materials depend upon factors that are beyond our control, including, but not limited to, general economic conditions, transportation costs, global and domestic market prices, competition, production levels and import duties, which could be cyclical in nature. Unanticipated increases in the price of materials, fuel costs, labour or other inputs will affect the results of operations of the project SPVs, especially if the wear and tear on the relevant Project requires major work. The project SPVs' ability to absorb increases in the purchase price of materials, fuel and other inputs is limited.

    Further, our operational costs may also increase substantially, if the relevant O&M Contractors fail to perform its duties as per the O&M Agreements.

13. *We may be subject to inflation/deflation and interest rate risks.*

    There are no specific provisions in our concession agreements protecting us against increases in interest rates or cost of raw materials. Our lenders may have the right to periodically adjust our interest rates and our applicable interest rates may increase based on their review of our credit profile and perceived risks in our operations. Many factors causing such adverse changes are beyond our control and we are usually not able to demand matching increases in our tolling fee or annuities. While our tolling rates may increase with an increase in WPI, any increase may not be adequate to offset the negative impact of increases in interest rates or O&M costs. Further, our tolling rates may decrease with a decrease in WPI and accordingly, the business, financial condition and results of operations of the Highways Trust may be adversely affected.

14. *The project SPVs have a limited period to operate the projects as the concession periods granted to the project SPVs are fixed.*

    Each of the concession agreements entered into by the project SPVs provides for a fixed term concession, subject to some variations and extension as permitted under the concession agreements or as may be granted by the concessioning authorities, at the end of which the operation of the relevant Project will be transferred to the relevant concessioning authority. In addition, there can be no assurance that the Highways Trust will be able to successfully acquire new assets to replenish its portfolio once the existing concession agreements expire. Further, if the operating periods of the projects are shortened or disrupted or the project SPVs' rights to operate the projects are terminated before the expiration of the concessions, the business, financial condition and results of operations of the Highways Trust may be adversely affected.

15. *Notwithstanding that the concession periods granted to the project SPVs are fixed, concession periods may be modified under particular circumstances and affect the project SPVs' revenues.*

RISK FACTORS (CONTD.)

While the term of the concession agreements are typically fixed, certain concession agreements also provide that, if, amongst other things, the actual traffic volume falls short of, or exceeds, the target traffic volume on specified dates mentioned in such concession agreement, the concession period may be deemed to be extended or reduced, as the case may be, in accordance with the terms of the concession agreement.

The traffic reports related to the GEPL Project and JPEPL Project indicate that the concession periods for these projects will be extended by approximately 5.4 years and 5 years respectively. In accordance with the Traffic Reports, in respect of the GEPL Project, the traffic volume is approximately 30% lower than the targeted traffic volume and in respect of the JPEPL Project, the traffic volume may be 23.2% lower than the targeted traffic volume. Such extensions, however, remains subject to actual traffic volume tests undertaken or to be undertaken on the specified dates in accordance with the concession agreements.

There can be no assurance that any modifications to the concession periods will be implemented by the concessioning authorities. While there can be no assurance that the concession periods will be extended or reduced, any modification of the concession periods will affect the amount of toll revenue anticipated and may have an adverse effect on the Trust's business prospects, financial condition and results of operations and its ability to make distributions to Unitholders.

16. *The project SPVs, which are responsible for the operation and maintenance of the projects under the respective concession agreements, may be directed by the relevant concessioning authority to undertake, and the project SPVs will be obliged to perform, additional construction work.*

Under the terms of the concession agreements, the project SPVs are responsible for the operation and maintenance of the projects during the applicable concession periods. A concessioning authority may require a Project SPV to provide additional work and services not included in the original scope of the concession agreement. For example, if a Project SPV is required to construct additional fast tag lanes, in addition to the construction, it needs to facilitate electronic toll lanes and build weigh-in motion equipment to check for the overloading of vehicles, among other things. There is no assurance that the money spent on complying with change of scope orders will be reimbursed in a timely or complete manner by the concessioning authority.

Further, in accordance with the concession agreement, the concessioning authorities may require the project SPVs to procure capacity augmentation in relation to the projects which may result in significant capital expenditure for the project SPVs. On refusal or non-acceptance by the project SPVs to undertake such augmentation, or on the failure of the project SPVs to undertake such augmentation as per the timelines set out by the concessioning authority, the concessioning authorities may in their discretion terminate the concession agreement.

17. *Newly constructed roads or existing alternative routes may compete with the projects and result in the diversion of the vehicular traffic and a reduction of tolls that the project SPVs can collect.*

Under the terms of the concession agreements entered into by the project SPVs with a toll component, the relevant concessioning authority is entitled to construct an additional tollway for use by traffic which may serve as alternate routes to the projects after the expiry of determined time periods, depending on the terms of the concession agreements. Notwithstanding that, in some cases, the concession period will accordingly increase, the development of such an additional tollway during the subsistence of the concession agreement could compete with the relevant Project and attract users (who would have otherwise used the Project) to use the additional tollway and divert vehicular traffic from the projects, thereby reducing toll collections by the project SPVs which could have an adverse effect on their business, financial condition or results of operations.

There is no assurance that any alternative roads built or improved will not compete with the projects and have an adverse effect on the Highways Trust's business, financial condition, revenues and operations.

18. *Any inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the project SPVs.*

The project SPVs require certain approvals, licenses, registrations and permissions under regulations, guidelines, circulars and statutes regulated by the Indian regulatory and government authorities to be obtained at various stages and by a number of parties. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof, in a timely matter, or at all. In addition, the project SPVs are required to comply with a wide variety of Indian laws and regulations. There can be no assurance that the project SPVs are in compliance with such laws and regulations or as requested by the regulatory authorities, have obtained all necessary

RISK FACTORS (CONTD.)

approvals or that they will continue to obtain the necessary approvals or have been and will continue to be in compliance with all applicable laws and regulations. In the event of any failure to obtain or renew the approvals or if there is a delay in the obtaining of such approvals, the business and financial condition of the project SPVs could be adversely affected. Any non-compliance with the conditions of the approval may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals, and interrupt the operations of the project SPVs and may adversely affect the business, financial condition and results of operations of the project SPVs.

19. *Failure to comply with and changes in, safety, health and environmental laws and regulations in India may adversely affect the business, prospects, financial condition and results of operations of the project SPVs.*

The project SPVs are required to adhere to various environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations in India as per the requirements of the concession agreements they have entered into. If any of the project SPVs fail to meet environmental, health or safety requirements, they may also be subject to administrative, civil and criminal proceedings by government authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against the project SPVs as well as orders that could limit or halt the operations of the project SPVs. The Trust cannot assure the unitholders that the project SPVs have been and will continue to be in compliance with all environmental, health and safety and labour laws and regulations.

Further, any changes in, or amendments to, these standards or laws and regulations could further regulate the operations of the projects and could require the project SPVs to incur additional, unanticipated expenses in order to comply with these changed standards.

There can be no assurance that the project SPVs will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future. Clean- up and remediation costs, as well as damages, payment of fines or other penalties, other liabilities and related litigation, could adversely affect the business, prospects, financial condition and results of operations of the project SPVs.

20. *The current insurance coverage for the projects may not protect the project SPVs from all forms of losses and liabilities associated with their businesses.*

The project SPVs have in place various project-specific insurance policies covering the project SPVs against material damage, burglary, terrorism and all-risk policies against risk of fire and natural calamities. However, there can be no assurance that all risks are adequately insured against or that the project SPVs will be able to procure adequate insurance coverage at commercially reasonable rates in the future. Natural disasters in the future may disrupt traffic, thereby adversely affecting toll collections and causing significant disruption to the operations of the projects, and causing damage to the projects and the environment that could have an adverse impact on the business and operations of the project SPVs. In addition, not all of the above risks may be insurable on commercially reasonable terms, or at all. To the extent that the project SPVs suffer any damage or loss which is not covered by insurance, or exceeds the insurance coverage, the loss would have to be borne by the project SPVs. Further, the project SPVs have, from time to time, insurance claims pending, with respect to its insurance policies. The proceeds of any insurance claim may also be insufficient to cover rebuilding costs as a result of inflation, changes in regulations regarding infrastructure projects, environmental and other factors. The resulting costs could have an adverse effect on the Trust's business, prospects, financial condition or results of operations and no assurance can be given that losses in excess of insurance proceeds will not occur in the future.

21. *The cost of repairing and refurbishing existing equipment for operating, maintaining and monitoring the projects could be significant and could adversely affect the results of operations, cash flows and financial condition of the project SPVs.*

Some of the equipment used by the project SPVs at the projects have pre-determined useful lives and the project SPVs are required to repair or refurbish such equipment at periodical intervals, pursuant to the terms of the concession agreements. These obligations may be undertaken by the O&M contractors pursuant to O&M agreements. There can be no assurance that such replacement or refurbishment will be undertaken in a timely or efficient manner by such O&M contractors, and any increased costs to the project SPVs as a result of such replacement or refurbishment by the O&M contractors will not affect the profit margins of the project SPVs and adversely affect their cash flows.

22. *The cost of implementing new technologies for collection of tolls and monitoring our projects could materially and adversely affect our business, financial condition and results of operations.*

RISK FACTORS (CONTD.)

The future success of the project SPVs will depend, in part, on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures or write- down of assets. The concessioning authorities may also require the project SPVs to implement and adhere to certain technologies in connection with the projects in the future and there can be no assurance that we would be able to do so in a timely manner, or at all. Failure to successfully adopt such technologies in a cost effective and a timely manner could increase the costs of operating the projects. There is no guarantee that the cost of implementing new technologies for the projects will be fully reimbursed by the concessioning authority and any such cost may therefore have an adverse effect on our business, results of operations and financial condition.

23. *The business and financial performance of the Highways Trust, the operations of the projects and any future projects that the Highways Trust may acquire, are significantly dependent on the policies of, and relationships with, various government entities in India and could be affected if there are adverse changes in such policies or relationships.*

The operations of the projects and any future projects that the Highways Trust may acquire, are and will be significantly dependent on various central and state government entities, in terms of policies, incentives, budgetary allocations and other resources provided by these entities for the surface transportation industry, as well as the terms of the contractual arrangements, concessions and other incentives available from these government entities for the projects. Sustained increases in budgetary allocations by the GoI and various state governments for investments in the infrastructure sector, the development of structured and comprehensive infrastructure policies that encourage greater private sector participation and increased funding by international and multilateral development financial institutions in infrastructure in India have resulted in, and are expected to continue to result in, an increase in the amount of transportation infrastructure projects undertaken in India. Any adverse change in the focus or policy framework regarding infrastructure development or the surface transportation industry, of or change in the Highways Trust's relationships with the GoI or various government entities in India, could adversely affect the projects, the opportunities for the Highways Trust to secure new projects and the business, financial condition and results of operations of the Trust.

In addition, the projects in which government entities participate may be subject to delays, extensive internal processes, policy changes, changes due to local, national and internal political pressures and changes in governmental or external budgetary allocation and insufficiency of funds. Since government entities are responsible for awarding concessions and are parties to the development and operations of projects, projects are directly and significantly dependent on their support. Any withdrawal of support or adverse changes in their policies may lead to the agreements being renegotiated and could also adversely affect the financing, capital expenditure, revenues, development or operations relating to the Projects.

24. *The project SPVs and Projects may be subject to legal or regulatory action and the Highways Trust may be required to incur substantial expenses in defending any such actions and there is no assurance that the project SPVs will be successful in defending such actions.*

Certain project SPVs are involved in legal proceedings which are pending at different levels of adjudication before various courts, tribunals and regulatory authorities. In addition, arbitration and litigation proceedings in India can be time consuming and the project SPVs may have to incur costs and devote considerable resources towards defending the outstanding legal proceedings. There is no assurance that the legal proceedings will be decided in favour of the relevant project SPVs.

25. *The Sponsor, Investment Manager, Project Manager and/or their respective associates, and the Trustee are or may, from time to time, be involved in legal proceedings, which if determined against such parties, may have an adverse effect on the reputation, business and results of operations of the Highways Trust.*

The Sponsor, Investment Manager, Project Manager and/or their respective associates, and the Trustee are or may, from time to time, be involved in certain legal proceedings, including in relation to criminal matters, tax matters, civil and arbitration proceedings, which are or may be pending at different levels of adjudication before various courts, tribunals and appellate authorities. There is no assurance that these legal proceedings and regulatory matters will be decided in favour of the respective entities.

26. *The project SPVs may be held liable for the payment of wages to the contract labourers engaged indirectly in the operations of the Highways Trust.*

The project SPVs or the O&M contractors may appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations. Some of the project SPVs have obtained the relevant registrations under the Contract Labour (Regulation and

RISK FACTORS (CONTD.)

Abolition) Act, 1970 (the "Contract Labour Act") for certain locations where workmen are employed through contractors or agencies licensed under the Contract Labour Act. Although the project SPVs do not engage the labourers directly, in the event of default by any independent contractor, the relevant Project SPV may be held responsible for any wage payments and other statutory benefits due to the labourers of such contractor. Any violation of the provisions of the Contract Labour Act by a Project SPV may result in penalties pursuant to the provisions of the Contract Labour Act. If any of the project SPVs are required to pay the wages of contracted workmen and subjected to other penalties under the Contract Labour Act, the reputation, results of operations, cash flows and financial condition of the Highways Trust could be adversely affected.

27. *The results of operations of the project SPVs could be adversely affected by strikes, work stoppages or increased wage demands by the employees of the Project SPV, O&M contractors or other sub-contractors.*

    Under the O&M agreements, the project SPVs have engaged the O&M Contractors to conduct all O&M activities required under the respective concession agreements apart from certain services being provided by HC1. In the event of any strikes or work stoppages by employees of the Project SPV itself, the O&M Contractors or other sub-contractors due to increased wage demands or the inability of the Project SPV, O&M Contractors or other sub-contractors to either retain or recruit employees and sub-contractors with suitable credentials, the ability of the project SPVs to collect tolls and maintain and operate the projects will be adversely affected. In addition, any disruption to the services provided by the employees of the Project SPV, the O&M Contractors or other sub-contractors will have an adverse effect on the operations of the project SPVs. There can be no assurance that future disruptions will not be experienced due to disputes or other problems with the work force, which may adversely affect the business and results of operations of the project SPVs.

28. *The project SPVs have experienced losses in previous years and any losses in the future could adversely affect the Highways Trust's business, financial condition and the results of its operations, its ability to make distributions and the trading price of the Units.*

    The project SPVs have experienced losses for one or more Fiscals in the last three Fiscals. Under the Companies Act, 2013, companies that do not generate "distributable profits" are not permitted to pay dividends. Accordingly, any Project SPV that fails to generate such distributable profits will not be permitted to pay dividends to the Highways Trust which will adversely affect the quantum of distributions made by the project SPVs to the Highways Trust. Such change may adversely affect the Highways Trust's ability to make distributions to Unitholders.

29. *The project SPVs may be required to pay additional stamp duty if any concession agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.*

    Currently, concession agreements are treated as agreements which are not lease deeds and stamp duty ranging between ₹ 100 to ₹ 500 is typically paid for such concession agreements. Stamp duty authorities of certain states in India have issued notices to some concessionaires alleging inadequate stamp duty on the concession agreements executed between the concessionaires and the concessioning authorities. The stamp authorities allege that since the concession agreements relate to the letting of tolls to the concessionaires in the form of leases, or as development agreements, such agreements were required to be stamped as lease agreements or development agreements, as applicable.

    Accordingly, concession agreements that have not been stamped as such could be considered to be inadequately stamped. The High Courts of Allahabad and Madhya Pradesh have also held that a concession agreement ought to be stamped as a lease agreement and have upheld the imposition of a higher stamp duty on such agreements.

    The stamp duty for a lease agreement or a development agreement ranges between 1.0% and 11.0% of the annual rent or premium payable or the market value of the property. Furthermore, stamp duty authorities may impose penalties for payment of inadequate stamp duty, which could extend up to 10 times the amount of the stamp duty payable.

    If any of the concession agreements were determined to be inadequately stamped, then such agreements would be inadmissible as evidence in any legal action, until the deficient amount of stamp duty together with penalties, if any, was paid.

    Any imposition of a demand for payment of a higher stamp duty or imposition of penalty would increase the costs of the projects, to the extent such additional costs are not recoverable from the concessioning authorities, and could adversely affect the business, results of operations and prospects of the project SPVs.

30. *We have entered into material related party transactions and may continue to do so in the future, which may potentially involve conflict of interests with the Unitholders.*

RISK FACTORS (CONTD.)

The transactions resulting from the agreements entered with the project manager, investment manager and sponsor (for acquisition of our project SPVs) are related party transactions and their terms may not be deemed as favourable to us as if they had been negotiated solely amongst unaffiliated third parties.

Furthermore, it is likely that we will enter into additional related party transactions in the ordinary course of our business. The terms of such transactions may not be as favourable to us as those negotiated solely amongst unaffiliated third parties and may involve conflicts of interest. Such transactions, individually or in the aggregate, could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

31. *There may not be any eligible acquisition opportunities from the Sponsor or third parties in the future, which may adversely affect the Highways Trust's business, financial condition, results of operations and prospects.*

The Trust aims to achieve portfolio growth through its acquisition growth strategy. Accordingly, in respect of future acquisitions, the Trust may depend on third parties as a source of attractive acquisition opportunities. Further, the Highways Trust may also wish to acquire certain assets from the Sponsor in the future. There can be no assurance that any such acquisition opportunities will materialise and the Trust will be able to avail of the same.

Eligible acquisition opportunities from third parties (including the two share purchase agreements entered) may also not materialise or the Trust may face increased competition from other InvITs and third parties, which may cause the price at which the Highways Trust is able to acquire a given asset to not be financially desirable.

An inability to grow through prudent acquisitions may adversely affect the Trust's business, financial condition and results of operations.

The acquisitions of five assets covered under share purchase agreement(s) entered into by Trust is subject to satisfaction of certain conditions which include approval from concessioning authorities and lenders to the assets. There is no certainty that these will be obtained (if at all) in a timely manner and the failure to complete the acquisition of the assets may adversely impact the financial condition of the Trust.

32. *The Trust may not be able to successfully fund future acquisitions of new projects due to the unavailability of equity financing on acceptable terms, which could impede the implementation of its acquisition strategy and negatively affect its business.*

The Trust may fund the consideration (in whole or in part) for future acquisitions through the issuance of additional Units. Such issuances may result in the dilution of the interests in the Highways Trust held by existing unitholders. The Highways Trust may not be able to complete the issuance of the required number of Units on short notice or at all due to a lack of investor demand for the Units at prices that it considers to be in the interests of then- existing Unitholders. As a result of a lack of funding, the Trust may not be able to pursue its acquisition strategy successfully. Potential vendors may also view the prolonged time frame and lack of certainty generally associated with the raising of equity capital to fund any such purchase negatively and may prefer other potential purchasers.

Further, in addition to compliance with the provisions of the SEBI InvIT Regulations, due to the Sponsor being a non- resident entity, any future investment by us in holding companies or project SPVs may also be subject to the investment conditions prescribed under the extant foreign exchange regulations for investment in infrastructure sector. For example, any downstream or other investments made by us are subject to conditions under the extant foreign exchange regulations for investment in infrastructure sector, both in terms of investments and divestments.

33. *The use of additional leverage by the Investment Manager and the Trust are subject to risks. Further, the Trust may not be able to successfully fund future acquisitions of new projects due to the unavailability of debt financing, which could impede the implementation of its acquisition strategy and negatively affect its business*

The Trust's total outstanding consolidated net debt after full utilization of the Issue Proceeds, will be within the regulatory requirement of 49% of the value of the InvIT Assets upon completion of the Issue (net of cash and cash equivalents) as specified under the SEBI InvIT Regulations. Under the terms of the InvIT Regulations, the consolidated borrowings and deferred payments of the Highways Trust, net of cash and cash equivalents, cannot exceed 49% of the value of the assets of Trust until certain conditions are met, and cannot exceed 70% of the value of the assets of Trust until, amongst others, the Highways Trust has made six consecutive distributions to unitholders. Further, if the consolidated borrowings of the Trust exceed 25% of the value of the assets of the Trust, further borrowings, up to 49% of the value of the assets of the Trust, would be subject to: (i) obtaining a credit rating from a credit rating agency registered with SEBI; and (ii) approval of the Unitholders, in accordance with the InvIT Regulations and Trust Deed. There is no assurance that the relevant approvals can be obtained in a timely manner, or at all. The Highways Trust may want to rely on debt to expand its portfolio

RISK FACTORS (CONTD.)

of projects through acquisitions, which may not be available on favourable terms or at all.

Although the Investment Manager will seek to use leverage in relation to the Trust in a manner it believes is prudent and manage the Trust according to the Investment Objectives, the use of leverage will generally magnify both the opportunities for gain and risk of loss from any given asset. The cost and availability of leverage is variable and it is not always possible to obtain or maintain the desired degree of leverage. The use of leverage will also result in interest expense and other costs that will limit distributions made by the Highways Trust or appreciation of its investments. An increase in interest rates may decrease the profitability of the Trust or any of the project SPVs.

Further, debt financing to fund the acquisition of a project may not be available in accordance with applicable law, or may not be available on acceptable terms. Restrictions imposed by the Reserve Bank of India may limit the Highways Trust's ability to borrow overseas for projects under development and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that any required regulatory approvals or borrowing in foreign currencies will be granted to the Highways Trust without onerous conditions, or at all.

Debt financing may increase the Trust's vulnerability to general adverse economic and industry conditions by limiting its flexibility in planning for or reacting to changes in its business and its industry. The Trust will also be subject to the risk that certain covenants in connection with any future borrowings may limit or otherwise adversely affect its operations and its ability to make distributions to its Unitholders.

34. *It may be difficult for the Trust to dispose of its non- performing assets.*

    The projects may be illiquid as a result of the current market condition or the limited residual life of the projects, among other things. In the event that the projects are performing poorly, the Highways Trust may experience difficulty in realising, selling or disposing its shareholding in a Project at the appropriate time or at all or at an attractive price, and this may have an adverse effect on the business, prospects, financial condition and results of operations of the Highways Trust.

RISKS RELATING TO OUR ORGANISATION AND STRUCTURE

35. *Our success depends in large part upon the Investment Manager and Project Manager, the management and personnel that they employ, and their ability to attract and retain such persons.*

    Our ability to make consistent distributions to our Unitholders depends on the continued service of management teams and personnel of the Investment Manager and Project Manager. Each of the Investment Manager and Project Manager may face challenges in recruiting and retaining a sufficient number of suitably skilled personnel. Generally, there is significant competition for management and other skilled personnel in our industry in India, and it may be difficult to attract and retain the skilled personnel that the Investment Manager and Project Manager need for our operations. Furthermore, the Investment Manager and Project Manager may not be able to adequately re-deploy and re-train their employees to keep pace with evolving industry standards and changing customer preferences. The loss of key personnel of either of the Investment Manager or the Project Manager, may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows of the Highways Trust.

36. *The Investment Manager has limited experience in investment management activities for an InvIT and may not be able to successfully implement its investment strategy for and Investment Objectives of the Highways Trust or to manage the Highways Trust's growth effectively.*

    The Investment Manager, and its directors and employees have limited experience in investment management activities for an InvIT.

    Further, there can be no assurance that the Investment Manager will be able to implement its investment strategy or Investment Objectives successfully or that it will be able to expand the portfolio of the Highways Trust at all, or at any specified rate or to any specified size or make distributions as projected. The results of the operations of the Highways Trust will depend on many factors, including but not limited to, its ability to operate and manage the projects efficiently, changes in the regulatory framework, competition for assets or macro-economic condition. These factors will, in turn, affect the availability of further opportunities for the acquisition of road assets and the availability of finance to achieve leverage. The Highways Trust will be relying on external sources of funding to expand its asset portfolio, which may not be available on favourable terms, or at all. Even if the Highways Trust is able to successfully acquire additional road assets, portfolio growth and expansion could place significant demands on the management and administrative resources of the Investment Manager and the capital resources of the Highways Trust and there can be no assurance that the Highways Trust will be able to efficiently manage such assets and achieve its intended return on such acquisitions.

    The Investment Manager can also stop acting as the Investment Manager by providing notice under the Investment Management Agreement or the Highways Trust may replace the Investment

RISK FACTORS (CONTD.)

Manager in accordance with the terms of the Trust Deed. There is no assurance that the financial performance of the Trust would not be affected upon the appointment of a new investment manager.

37. *The Sponsor may be able to exercise significant influence over activities of the Highways Trust, on which, Unitholders are entitled to vote. The Sponsor's interests may be different from Unitholders.*

Under the InvIT Regulations, the Sponsor must continue to own all of its Units for one year and must own 15% of the outstanding Units for three years from the date of listing of the Units, subject to the conditions specified in the InvIT Regulations. As a result, the Sponsor, may be able to control the outcome of matters on which Unitholders are entitled to vote and for which the Sponsor is not prohibited from voting due to a conflict of interest. The interests of the Sponsor may be different from those of the Unitholders.

38. *The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.*

The Trust is an irrevocable trust registered under the Indian Registration Act, 1908 and it may only be extinguished: (i) if it is impossible to continue with the Highways Trust or if the Trustee, on the advice of the Investment Manager, deems it impracticable to continue; (ii) on the written recommendation of the Investment Manager and upon obtaining the prior written consent of such number of the Unitholders as is required under the InvIT Regulations; (iii) if our Units are delisted from the Stock Exchange; (iv) if the SEBI passes a direction to wind up the Highways Trust or the delisting of the Units; or (v) in the event our activities are rendered illegal. Should the Trust be dissolved, depending on the circumstances and the terms upon which our assets are disposed of, there is no assurance that our Unitholders will recover all or any part of their investment.

If a default is triggered under the financing documents the Highways Trust is a party to, the Trustee will take steps to cure such default and/or to repay the affected lender by appropriate means, including divesting or liquidating the assets of the Trust or raising additional financing, in accordance with such financing documents and applicable laws. If such default is not cured, and the affected lender initiates proceedings against the Highways Trust, the Highways Trust will be terminated immediately in accordance with applicable laws. In the event of a termination of the Trust, the net assets which will be paid to the unitholders will take into account the debt, liabilities and obligations of the Highways Trust. There is no assurance that our Unitholders will recover all or any part of their investment.

39. *Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.*

The Trust Deed and various provisions of Indian law govern the Trust's affairs. Legal principles relating to these matters and the validity of procedures, fiduciary duties and liabilities, and Unitholders' rights may differ from those that would apply to a company in India or a trust in another jurisdiction.

40. *Parties to the Highways Trust are required to satisfy the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. We may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Highways Trust.*

Each of the parties to the Trust is required to satisfy the eligibility conditions specified in the InvIT Regulations on an ongoing basis.. We may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Highways Trust.

41. *We are governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 ("SCRA"), the implementation and interpretation of which, is evolving. The evolving regulatory framework governing infrastructure investment trusts in India may have a material adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to the Unitholders.*

The Trust has been constituted under the InvIT Regulations which were issued in 2014, as amended and supplemented with additional guidelines and circulars.

As the regulatory framework governing infrastructure investment trusts in India comprises a separate set of regulations, interpretation and enforcement by regulators and courts involves uncertainties.

The InvIT Regulations and other corresponding changes to applicable law, are largely untested in their implementation. Uncertainty in applicability, interpretation or implementation of any amendment to, or change in, law, regulation or policy, including due to an absence, or a limited body, of administrative or judicial precedent may be time consuming and costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future and consequently, our ability to make distributions to the

RISK FACTORS (CONTD.)

Unitholders. Changes to our organizational structure, changes to our agreements, cost increases, fines, legal fees or business interruptions may result from changes to regulations, from new regulations, from new interpretations by courts or regulators of existing regulations or from stricter enforcement practices by regulatory authorities of existing regulations. In addition, new costs may arise from audit, certification and/or self-assessment standards required to maintain compliance with new and existing InvIT Regulations, which may render it economically unviable to continue conducting business as an infrastructure investment trust or otherwise have a material, adverse effect on our business, financial condition, results of operations and cash flows.

Further, SEBI has the right to, with or without prior notice, order inspection of the books of accounts, records and other documents pertaining to our operations, either on its own or, upon receipt of complaint. Upon review of the inspection report, SEBI is entitled to, if it so deems appropriate (in the interest of the securities markets or our investors) (a) to require us to surrender our certificate of registration; (b) to wind-up our operations; (c) to sell our assets; (d) direct us to not operate or access the capital markets for a specified period; or (e) direct us to not do such things as SEBI may deem appropriate in the interest of our investors. Any such occurrence may have a material adverse effect on our business, result of operations, financial conditions and cash flows.

There can be no assurance that the legal framework for infrastructure trusts will not impose additional regulations and policies which could impact our operations and it is difficult to forecast how any new laws, regulations or standards or future amendments to the InvIT Regulations, the SCRA and other applicable law will affect infrastructure trusts and the infrastructure sector in India. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. We may incur increased costs and other burdens relating to compliance with such new regulations, which may also require significant time and other resources, and any failure to comply with these changes may adversely affect our business, results of operations and prospects.

42. *The reporting requirements and other obligations of infrastructure investment trusts are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to our Unitholders may be more limited than those made to or available to shareholders of a company that has listed its equity shares upon a recognised stock exchange in India.*

    The InvIT Regulations, along with the guidelines and circulars issued by the SEBI from time to time, govern the infrastructure investment trusts in India. However, as compared with the statutory and regulatory framework governing companies that have listed their equity shares or debt securities on recognised stock exchanges in India, the regulatory framework applicable to infrastructure investment trusts is relatively nascent and thus, still evolving.

    Accordingly, the ongoing disclosures made to our Unitholders under the InvIT Regulations may differ from those made to shareholders of a company that has listed its equity shares on a recognised stock exchange in India in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the rights of our Unitholders may not be as extensive as the rights of shareholders of a company that has listed its equity shares on a recognised stock exchange in India, and accordingly, the protection available to our Unitholders may be more limited than those available to such shareholders.

43. *The InvIT Regulations allow for sponsors of listed infrastructure investment trusts to be declassified from the status of sponsors subject to certain conditions. There can be no assurance that our Sponsor will not exercise its ability to be declassified as the Sponsor of the Highways Trust.*

    The InvIT Regulations, pursuant to amendments made in June 2020, permit sponsors of listed infrastructure investment trusts to be declassified from the status of sponsors subject to compliance with the prescribed conditions.

    There can be no assurance that in the future, our Sponsor, upon fulfilment of the aforementioned conditions or any other conditions that SEBI prescribes for declassifications of sponsors, will not exercise its ability to declassify itself from the status of our Sponsor.

44. *It may be difficult for the Unitholders to remove the Trustee or the Investment Manager.*

    Under the InvIT Regulations, the Trustee or the Investment Manager cannot be removed without the prior approval of Unitholders where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against such resolution. Accordingly, the Unitholders may face difficulties in removing and replacing the Trustee or the Investment Manager. Further, under the InvIT Regulations, prior approval of SEBI is required for change in the Investment Manager of the Highways Trust.

RISK FACTORS (CONTD.)

45. *Unitholders will have no vote in the election or removal of Directors in the Investment Manager and will be able to remove the Investment Manager and Trustee only pursuant to a majority resolution.*

    The Investment Manager has the responsibility of managing the Highways Trust.

    Unitholders have no vote in the election or removal of Directors in the Investment Manager. Unitholders' recourse is the removal of the Investment Manager by way of a resolution where Unitholders holding at least 60% of the Units must vote in favour of the resolution. In comparison, the Companies Act, 2013 requires the removal of a director of a public company to be by way of an ordinary resolution approved by a simple majority.

    Similarly, Unitholders may remove the Trustee only if they believe that the acts of the Trustee are detrimental to the interests of the Unitholders and by way of a resolution where the votes cast in favour of the resolution must meet the required percentage as set out in the InvIT Regulations. Further, the Investment Manager and the Trustee cannot be discharged until a suitable replacement is appointed in their place, and there can be no guarantees that a suitable replacement will be appointed, or that appointment will take place in a timely manner, or at all.

    Accordingly, as opposed to shareholders removing a director of a public company, it may not be as easy for Unitholders to remove the Investment Manager or the Trustee.

RISKS RELATING TO THE UNITS

46. *The sale or possible sale of a substantial number of Units by the Sponsor in the public market following the end of its lock- in requirement as prescribed under the InvIT Regulations could adversely affect the price of the Units.*

    Under the InvIT Regulations, the Sponsor is required to hold a minimum of 15% of our Units for a minimum period of three years from the date of listing pursuant to this Issue and the balance of its unitholding in the Highways Trust is required to be locked in for a period of one year from the date of listing of the Units.

    The Units are listed on the Stock Exchange. If the Sponsor, subsequent to the end or lapse of either of the aforesaid lock-in periods directly or indirectly sells or is perceived as intending to sell a substantial number of its Units, or if a secondary offering of the Units is undertaken, the market price for the Units could be adversely affected.

47. *Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the Units.*

    Under foreign exchange regulations currently in force in India, transfers of units between non-residents and residents are permitted, subject to certain exceptions, if they comply with the pricing and reporting requirements specified by RBI. If a transfer of units is not compliant with such pricing or reporting requirements and does not fall under any of the exceptions specified by RBI, then RBI's prior approval is required.

    Additionally, unitholders who seek to convert Indian rupee proceeds from a sale of units in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

48. *Market and economic conditions may affect the market price and demand for the Units.*

    Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of and demand for the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

49. *There is no assurance that our Units will remain listed on the stock exchange.*

    Although it is currently intended that the Units will remain listed on the Stock Exchange, there is no guarantee of the continued listing of the Units. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchange. Accordingly, Unitholders will not be able to sell their Units through trading on the Stock Exchange if the Units are no longer listed on the Stock Exchange.

50. *Any future issuance of units by us may dilute investors' Unitholding. The sale or possible sale of a substantial number of Units by the Sponsor or another significant Unitholder could adversely affect the price of the units.*

    Where new Units are issued at less than the market price of the Units, the value of an investment in the Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of units may experience a dilution of their interest in the Trust.

RISK FACTORS (CONTD.)

51. *Rights of Unitholders under Indian law may be more limited than under the laws of other jurisdictions.*

    Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and unitholders' rights may differ from those that would apply to a company in another jurisdiction. Unitholders' rights under Indian law may not be as extensive as Unitholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as unitholder in an Indian entity than as unitholder of a corporation in another jurisdiction.

52. *Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.*

    Tax and other levies imposed by the Government and state governments may include: (i) income tax (including withholding tax and tax collection at source); (ii) wealth tax (which was withdrawn with effect from January 1, 2016); (iii) excise duty; (iv) value added tax/ central sales tax/ goods and service tax; (v) service tax; (vi) stamp duty; and (vii) other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. In some cases, these taxes and other levies may be changed from year to year and the Indian courts which interpret tax legislation may apply such interpretations with retroactive effect. Also, the Government in certain situations has the authority to change tax laws retrospectively.

53. *Tax laws are subject to changes and differing interpretations, which may adversely affect our operations and returns to the unitholders*

    Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action, including by retrospective legislation, by the governmental or tax authorities, may result in tax risks in the jurisdictions in which we operate being significantly higher than expected. These events may result in a material, adverse effect on our business, financial condition, results of operations and prospects. Tax authorities in India may also introduce additional or new regulations applicable to our business which could adversely affect our business and profitability. In addition to the impact on our business these uncertainities will also impact the tax applicable on the distributions made to the unitholders, and unitholders should obtain regular advice on the exact impact of the taxability of the distributions received from the Trust.

CREDIT RATINGS

The Trust has been given a rating of (i) 'CRISIL AAA/Stable (Reaffirmed)' by CRISIL Ratings, for bank loan facilities aggregating to INR 8,000 million and, (ii) a rating of 'CRISIL AAA/Stable'(Reaffirmed) for non-convertible debentures aggregating to INR 6,500 million, by way of its letters dated April 12, 2023, the rationale for which is available on their website at https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/HighwaysInfrastructureTrust_April%2011,%202023_RR_316982.html. The rating has been reaffirmed by CRISIL on May 12, 2023 after considering the material developments involving execution of share purchase agreement dated May 03, 2023 for acquisition of 100% (one hundred percent) shareholding in four special purpose vehicles owned by H.G. Infra Engineering Limited, i.e., (i) H.G. Ateli Narnaul Highway Private Limited, (ii) H.G. Rewari Ateli Highway Private Limited, (iii) Gurgaon Sohna Highway Private Limited; and (iv) H.G. Rewari Bypass Private Limited. The rating is available at the following link https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/HighwaysInfrastructureTrust_May%2012,%202023_RR_319327.html.

Additionally, the Trust has been reaffirmed a rating of 'IND AAA/Stable' by India Ratings, for bank loan facilities aggregating to INR 8,000 million, non-convertible debentures aggregating to INR 6,500 million and bank guarantee limit of INR 750 million, by way of its letter dated May 2, 2023, the rationale for which is available at their website https://www.indiaratings.co.in/pressrelease/61803.

The summary of current rating is as follows:

Instrument Type	Size of Issue (INR million)	India Rating		CRISIL	
		Rating	Date of Rating	Rating	Date of Rating
Bank guarantee (BG)	750	IND AAA/Stable	May 2, 2023	-	-
Non-convertible debentures (NCDs)	6,468 (reduced from 6,500)	IND AAA/Stable	May 2, 2023	CRISIL AAA/Stable	May 12, 2023
Rupee term loan (RTL)	7,889 (reduced from 8,000.0)	IND AAA/Stable	May 2, 2023	CRISIL AAA/Stable	May 12, 2023

The rating rationale, as obtained on periodically, has been communicated to the stock exchanges on immediate basis and the same is also placed on the Trust's website: www.highwaystrust.com.

RELATED PARTY TRANSACTIONS

Update on the details of all related party transactions during the year, value of which exceeds five percent of the value of the InvIT, if any :

Please refer to note no. 31 of the Standalone Financial Statements and note no. 44 of Consolidated Financial Statements of the Trust for the March 31, 2023 which forms part of the Annual Report.

The details of all Related Party Transactions during the year, value of which exceeds five percent of value of InvIT (assets) :

A summary of the related party transactions exceeding 5% of total book value is tabulated as under:

(All amounts in INR millions)

Particulars	01 April 2022 to 31 March 2023
	(Audited)
Galaxy Investment II Pte Ltd.	
Transaction during the period	
Proceeds from issue of Compulsory convertible debentures ('CCD's')	-
Issue of unit capital	37,390.00
Investment in CCD's	3,060.00
Distribution to unit-holders^	5,426.28
Balance outstanding at the end of the period	
Unit capital	37,390.00

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital and redemption of instruments.

Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle (SPVs), in which, it has invested :

Details regarding the monies lent to the Project SPVs are as under:

Sl. No.	Lenders	Project SPVs	Date of Availment		Tenure		Amount outstanding (in INR Mn as on March 31, 2023)		Type of Instrument INR Term Loan (RTL)/ Optionally Convertible Debentures (OCDs)	
			Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
1	Highways Infrastructure Trust	UEPL	September 9, 2022	December 20, 2021	2.6 Years	30 years	1,169.65	80.00	RTL	RTL and OCDs
2	Highways Infrastructure Trust	DBCPL	September 27, 2022	Not Applicable	8.5 Years	30 years	2,699.94	600.14	RTL	RTL
3	Highways Infrastructure Trust	GEPL	September 23, 2022	December 20, 2021	13.5 Years	30 years	4,054.40	4532.38	RTL	OCDs
4	Highways Infrastructure Trust	JPEPL	November 15, 2022	December 20, 2021	13.8 Years	30 years	2,519.81	2683.83	RTL	RTL and OCDs
5	Highways Infrastructure Trust	NBL	September 23, 2022	December 20, 2021	3.5 Years	30 years	969.42	10.00	RTL	OCDs
6	Highways Infrastructure Trust	SEPL				Not Applicable				

Note:

1. During the reporting year, the Board of Directors of the Project SPVs has approved to modify terms and conditions of the Compulsory convertible debenture ("CCDs") held by Highways Infrastructure Trust ("**HIT")** in the project SPVs, inter alia to delete the compulsory convertibility clause and to allow redemption of the CCDs i.e. ("**Optionally Convertible Debentures**").

OTHER MANDATORY DISCLOSURES

Update on development of under-construction projects, if any

All the project assets of the Trust are in operation. Hence, this is not applicable during the period under review.

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

The Trust was formed on December 3, 2021 and was registered as an Infrastructure Investment Trust under the SEBI InvIT Regulations on December 23, 2021. Accordingly, revenue details for the last 5 years is not applicable for the Trust.

Details of issue and buyback of units during the year, if any

During the year under review, the Trust issued of 4,16,00,000 units through a private placement as initial offer and 3,73,900,000 unit issued by Swap to the Sponsor under the formation transaction at a price of INR 100 per unit aggregating to INR 41,550 million and the units were got listed on the National Stock Exchange of India Limited ("**NSE**") w.e.f. August 25, 2022.

During the year under review, there was no further issue or buy back of any units by the Trust.

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

The units of the Trust got listed with NSE w.e.f August 25, 2022, therefore, past performance of the InvIT with respect to unit price and yield for the last 5 years is not applicable for the Trust during the period under review.

The details of the distributions made since listing are set out in page no. 53.

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

The details of total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties are disclosed in note no. 20, 21, 31 and 37 of the standalone financial statements of the Trust for the financial year ended March 203.

Brief details of material and price sensitive information

During the period, the Investment Manager, from time to time, has been providing price sensitive details of material and price sensitive information to the stock exchanges in relation to the Trust by the Investment Manager, in accordance with the provisions of the SEBI InvIT Regulations and other applicable laws. The submitted announcements in relation to material and price sensitive information can be viewed on the Trust's website at www.highwaystrust.com.

Material Information and Events - Except otherwise specified or disclosed to the exchanges from time to time, during the period under review, there were no material changes, events or material and price sensitive information to be disclosed for the Trust.

The Trust has devised and maintained a Structured Digital Database (SDD) in compliance with Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015.

The policy **on UPSI and dealing in units by the parties are available on the website of the Trust at** https://highwaystrust.com/pdf/policies/Policy%20on%20UPSI%20and%20Dealing%20in%20Units%20by%20the%20Parties.pdf

Details of outstanding borrowings and deferred payments of InvIT including any credit rating, debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis

Details of outstanding borrowings: The details of outstanding borrowings are disclosed in page no. 35 of the Annual Report.

The details of debt maturity profile:

Please refer to note no. 29 of Standalone and note no. 41 of Consolidated Financial Statements.

There is no deferred payment in the Trust as on March 31, 2023.

The details of Credit Rating: Please refer the section on Credit Rating page no. 73.

The details of Gearing Ratios: Please refer to note no. 30 of Standalone and note no. 42 of Consolidated Financial Statements.

Investor Complaints

In compliance with Regulation 23 of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, read with Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016, and SEBI/HO/DDHS/DDHS_Div3/P/CIR/2021/600 dated July 22, 2021 and pursuant to Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Statement of Investor Complaints for the Trust, issued by Link Intime India Private Limited, Registrar & Share Transfer Agent of the Trust, was submitted to the stock exchange on a quarterly basis and the can be viewed on the Trust's website at www.highwaystrust.com.

OTHER MANDATORY DISCLOSURES (CONTD.)

Table I: Details of investor complaints received and redressed during the year ended March 31, 2023 are as follows:

Particulars	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the year.	0	0
Number of investor complaints received during the year	0	0
Number of investor complaints disposed of during the year	0	0
Number of investor complaints pending at the end of the year.	0	0
Average time taken for redressal of complaints	0	0

Table II For Quarter Ending (QE) 31-MAR-2022

Particulars	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the quarter.	0	0
Number of investor complaints received during the quarter	0	0
Number of investor complaints disposed of during the quarter	0	0
Number of investor complaints pending at the end of the quarter.	0	0
Average time taken for redressal of complaints	0	0

Table III For Complaints pending during Financial Year Ended (FYE) 31-MAR-2023

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Table IV For Complaints pending during Quarter Ending (QE) 31-MAR-2022

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Table V For complaints disposed of during Financial Year Ended (FYE) 31-MAR-2023

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Table VI For complaints disposed of during Quarter Ending (QE) 31-MAR-2022

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Investor Relations Contacts

Ms. Kunjal Shah
Company Secretary and Compliance Officer
ACS No. A8978
Unit No. 316 & 317, C Wing, 3rd Floor,
Kanakia Zillion,
LBS Marg, BKC Annexe,
Mumbai 400 070, Maharashtra.
Phone: +91 7506333447
Email: kunjal.shah@highwayconcessions.com

Registrar and Transfer Agent:
Link Intime India Private Limited
247 Park C-101, 1st Floor, LBS Marg,
Vikhroli (West), Mumbai 400 083,
Maharashtra, India.
Contact person: Ajit Patankar
Phone: +91 22 4918 6000
Email: ajit.patankar@linkintime.co.in

Information of the contact person of the InvIT

Ms. Kunjal Shah
Company Secretary and Compliance Officer
ACS No. A8978
Unit No. 316 & 317, C Wing, 3rd Floor,
Kanakia Zillion, LBS Marg, BKC Annexe,
Mumbai 400 070, Maharashtra.
Phone: +91 7506333447
Email: kunjal.shah@highwayconcessions.com

OTHER MANDATORY DISCLOSURES (CONTD.)

Listing details of all listed instruments of the Trust

Name and address of the stock exchange	Security Type (privately placed)	Issue Size (INR Million)	Scrip Code/Symbol	Scrip Code/Symbol
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai-400051	Units	41,550	HIGHWAYS	
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai — 400 001	Non-Convertible Debentures (NCDs)	4,000	Series I - 974228	INE0KXY07018
	Non-Convertible Debentures (NCDs)	2,500	Series II - 974227	INE0KXY07026

Listed of Non-Convertible Debentures

During the period under review, the Board of Directors of Virescent Infrastructure Investment Manager Private Limited (the erstwhile Investment Manager of the Trust) in their meeting held on September 23, 2022, has approved the allotment 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities having a face value of INR 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to INR 650,00,00,000/- (Rupees Six Hundred and Fifty Crores only), in 2 (two) series of (i) up to INR 400,00,00,000 (Rupees Four Hundred Crores only) (the "**Series I Debt Securities**"); and (ii) up to INR 250,00,00,000 (Rupees Two Hundred and Fifty Crores only) (the "**Series II Debt Securities**") (the Series I Debt Securities and Series II Debt Securities collectively, the "**Debt Securities**") by way of private placement ("**Issue**") and Debt Securities were got listed with BSE Limited on the BSE Debt segment on September 26, 2022.

Credit Ratings:

Please refer the section on Credit Rating page no. 73

Debenture Trustee of Debt Securities

Catalyst Trusteeship Limited
Address: Windsor, 6th floor, Office No. 604,
C.S.T Road, Kalina, Santacruz (East),
Mumbai - 400098
Phone No.: 022-49220548
Website: www.catalysttrustee.com
Email: priti.shetty@ctltrustee.com
Contact Person: Priti Shetty

Registrar of the Trust for Debt Securities:

Name: Link Intime India Private Limited
Address: 247 Park, C-101lst Floor, L B S Marg,
Vikhroli (West), Mumbai 400 083,
Maharashtra, India.
Phone No.: +91 22 4918 6000
Website: www.linkintime.co.in
Email: ajit.patankar@linkintime.co.in
Contact Person: Ajit Patankar

Statement of deviation/ variation in use of Issue proceeds:

Until March 31, 2023, there has been no deviation/ variation in use of proceeds from the initial offer of units ("**Issue Proceeds**").

The Trust, though the Investment Manager, has sought approval from its unitholders (as of the cut-off date of June 09, 2023), through postal ballot notice dated June 12, 2023, for a change in the utilization of the Issue Proceeds. The voting period on the proposed resolution ends on 17:00 hours (IST) on July 03, 2023, and the results of the Postal Ballot shall be declared on or before Wednesday, July 05, 2023.

Summarized here are the details for proposed changes in the use of Issue Proceeds. At the time of undertaking the initial offer of units of the Trust ("**Initial Offer**"), it was estimated that the expenses for the issue (consisting of fee and commissions payable to the lead managers, fee payable to legal counsels, fee and commission payable to escrow collection bank, banks, registrar and other advisors or arrangers and all other incidental and miscellaneous expenses for undertaking the formation transactions and for listing the units on the Stock Exchange(s)) ("**Issue Expenses**") will be upto INR 138.50 million. Accordingly, appropriate amounts were stated in the 'Use of Proceeds' section of the Placement Memorandum dated August 08, 2022 and Final Placement Memorandum dated August 22, 2022 (together the "**Placement Documents**").

Whilst the Investment Manager (on behalf of the Trust) has made best efforts to utilise the Issue Proceeds as per the 'Use of Proceeds' set out in the Placement Documents, however, as on March 31, 2023, the Trust has an un-utilized sum of INR 26.88 million under the head of Issue Expenses on account of reduction in actual issue expenses incurred ("**Unutilised Issue Proceeds**"). The Trust proposes to use the Unutilised Issue Proceeds for meeting the interest payment/principal repayment (including creation of Debt Service Reserve), for Non-Convertible Debentures issued /to be issued by the Trust or loans raised by the Trust, and in each case, top-up thereof.

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

for the Financial Year Ended March 31, 2023

To

The Unitholders,

Highways Infrastructure Trust
(Acting through its Investment Manager – Highway Concessions One Pvt. Ltd.)
2nd Floor, Piramal Tower, Peninsula Corporate Park,
Lower Parel, Mumbai – 400 013.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Highways Infrastructure Trust (hereinafter refereed as 'the INVIT') to be ensured by Highway Concessions One Private Limited acting as Investment Manager of the INVIT (hereinafter 'the Investment Manager').** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the secretarial audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the INVIT and also the information provided by the INVIT, its officers, and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the INVIT has, during the audit period covering the financial year ended on 31st March, 2023 (hereinafter called the '**Audit Period'**) complied with the statutory provisions listed hereunder and also that the INVIT has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the INVIT for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 **(the Act),** and the rules made there under; **(Not applicable to the INVIT during the audit period)**

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. **(Overseas Direct Investment and External Commercial Borrowings are Not applicable to the INVIT during the audit period)**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the INVIT during the audit period)**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not applicable to the INVIT during the audit period)**

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the INVIT during the audit period)**

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the INVIT during the audit period)**

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**; (Not Applicable to the INVIT during the Audit Period);**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the INVIT during the Audit Period)**

j. Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**InvIT Regulations**")

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the INVIT during the audit period)**

SECRETARIAL AUDIT REPORT (CONTD.)

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 to the extent applicable to the INVIT. ("Listing Regulations");

Further, the INVIT being High Value Debt Listed Entity, it is complying with the provisions of Listing Regulations on Comply and Explain basis and is in the process of full compliance.

During the period under review, the INVIT has complied with the provisions of the above Rules, Regulations, Guidelines and Standards made there under. The Company has duly made the payment of Interest and Principal (part/partial redemption) of secured, rated, listed Non-Convertible Debentures in accordance with the redemption schedule of debenture trust deed and the intimation under Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was disseminated with the Stock Exchanges for the quarter ended 31st December, 2022 in pdf format and has uploaded such intimation on their website. However, XBRL Intimation for payment of debenture interest dated 28th December, 2022 is not filed to BSE Limited as per BSE Circular dated 15th September, 2021, and in two instances there were delay in intimation of record date to BSE Limited under regulation 60(2) of listing regulation.

We further report that

The Governing Board of the **Investment** Manager of the INVIT is duly constituted with proper balance of Executive Member, Non-Executive Members, and Independent Members. The changes in the composition of the Governing Board of the **Investment** Manager that took place during the audit period were carried out in compliance with the applicable provisions.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with required compliances and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Governing Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Governing Board or Committee of the Board, as the case may be.

For the purpose of checking the compliances of the InvIT regulations where certificates were issued by independent third parties such as valuer and auditors, we have relied upon the certificates and reports given by them.

We further report that there are adequate systems and processes in the INVIT commensurate with the size and operations of the INVIT to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the INVIT has:

- The Company has allotted total 41,55,00,000 units to the unitholders by way of fresh issue as under: -
  - i. Issued, allotted and listed 37,39,00,000 units to the Sponsor by way of a swap arrangement of project special purpose vehicles acquired from Sponsor via private placement in accordance with the final placement memorandum.
  - ii. Issued, allotted and listed 4,16,00,000 units to eligible investors via private placement in accordance with the final placement memorandum.
- Issued, allotted and listed 7.71% Secured, Guaranteed, Senior, Taxable, Non-Cumulative, Rated, Redeemable, Non-Convertible Debentures ("Series I") amounting to INR 4,00,00,00,000 and 8.25% Secured, Guaranteed, Senior, Taxable, Non-Cumulative, Rated, Redeemable, Non-Convertible Debentures ("Series II") amounting to INR 25,00,00,000 through private placement The debentures (Series I and II) have been redeemed in accordance with the redemption schedule as provided in debenture trust deed.
- Changed the Investment manager of the INVIT from Virescent Infrastructure Investment Manager Private Limited to Highway Concession One Private Limited.
- Changed the Project manager of the INVIT from Virescent Renewable Energy Project Manager Private Limited to HC One Project Manager Private Limited.

For MMJB & Associates LLP
Company Secretaries

Bhavisha Jewani
Partner
FCS: 8503
CP: 9346
PR: 2826/2022
UDIN: F008503E000336523

Date: May 19, 2023
Place: Mumbai

***This report is to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report.**

SECRETARIAL AUDIT REPORT (CONTD.)

Annexure A

To

The Unitholders,

Highways Infrastructure Trust
(Acting through its Investment Manager – Highway Concessions One Pvt. Ltd.)
2nd Floor, Piramal Tower, Peninsula Corporate Park,
Lower Parel, Mumbai – 400 013.

Our report of event date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the INVIT. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the INVIT.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the INVIT nor of the efficacy or effectiveness with which the management has conducted the affairs of the INVIT.

For MMJB & Associates LLP
Company Secretaries

Bhavisha Jewani
Partner
FCS: 8503
CP: 9346
PR: 2826/2022
UDIN: F008503E000336523

Date: May 19, 2023
Place: Mumbai

FORM NO. MR.3

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES

for the Financial Year Ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s Godhra Expressways Private Limited

316-317, 'C' Wing, 3rd Floor, Kanakia Zillion,
L.B S. Marg, BKC Annex, Kurla (W)
Mumbai , MH-400070

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Godhra Expressways Private Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with ***Annexure 1*** attached to this report:-:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) are Not applicable during the audit period)**

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period)**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(to the extent applicable as Material Subsidiary)**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not applicable to the Company during the Audit Period**)

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)** ;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

*The Company being a material subsidiary of Highway Infrastructure Trust ("HIT"), directors and certain employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of Highway Infrastructure Trust ("HIT").

VI. Following specific regulation is applicable to the Company:

The Company has complied with provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**. (To the extent Applicable)**

We have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreement entered into by the Company with Stock Exchange. **(Not Applicable during the period under Review)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. *However the Nominee Director of previous Investment Manager of Highway Infrastructure Trust (i.e. Virescent Infrastructure Investment Manager Private Limited) were continued as a Nominee Director of present Investment Manager of Highway Infrastructure Trust (i.e. Highway Concessions One Private Limited)*

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda except at shorter notice wherever required and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.

3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), **we further report that;**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows-

i. SPA was executed between Virescent Infrastructure Investment Manager Private Limited and Galaxy Investments II Pte. Ltd., Highways Infrastructure Trust, and the Company on 08.08.2022 for transferring of the Equity shares including transfer of beneficial interest of the nominee shares. In compliance to the aforesaid agreements, the entire shareholding of Galaxy Investments II Pte. Ltd i.e. 2,33,80,840 Equity Shares of Rs, 10/- each was transferred to Highways Infrastructure Trust on 23.08.2022 and Transfer of 2,30,16,554 Compulsory Convertible Debentures (CCDs) of Rs. 100/- each to Highways Infrastructure Trust by Galaxy Investments II Pte. Ltd.

ii. SPA was executed between Virescent Infrastructure Investment Manager Private Limited and Galaxy Investments II Pte. Ltd., Highways Infrastructure Trust, and the Company on 08.08.2022 for transferring of the 2,79,24,804 Compulsory Convertible Debentures (CCDs) of Rs. 100/- each to Highways Infrastructure Trust, in compliance of the agreement it was transferred to Highways Infrastructure Trust on 26.08.2022

5,09,41,358, Compulsorily Convertible Debentures ("CCDs) held by Highways Infrastructure Trust of Rs.100/- each were converted into OCD's by way of Circular resolution passed on 19/12/2022

iii. The terms and conditions of the Unsecured, Unlisted Compulsory Convertible Debentures (CCDs) were modified; the date of payment of Interest has been altered.

iv. Partial Repayment of 5,09,41,358 Unsecured Optionally Convertible Debentures (OCDs) of INR 100 each for an amount of INR 56,17,58,000/- as approved in the Board Meeting held on 24.01.2023

v. Reduction of Share Capital- The Company has approved the Reduction of Equity Share Capital which shall result in cancellation of 32,25,807 Equity shares out of 2,33,80,840 of Rs. 10/- each amounting to Rs.153,22,58,325/- at Rs. 475 per Equity shares subject to approval of the NCLT (Mumbai Bench).

For J Kathuria & Associates
Company Secretaries

(JUHI KATHURIA)
Company Secretary in Whole time Practice
M.No. 38056
COP No. 14913
Peer Review No. 3365/2023
UDIN: A038056E000163491

Date: April 21, 2023
Place: New Delhi

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Annexure 1

To,

The Members,

M/s Godhra Expressways Private Limited
316-317, 'C' Wing, 3rd Floor, Kanakia Zillion,
L.B S. Marg, BKC Annex, Kurla (W)
Mumbai , MH-400070

Subject: Our Secretarial Audit for the Financial Year ended March 31, 2023 of even date is to be read along with this letter.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. As per the information provided by the Company, there are no pending cases filed by or against the company which will have major impact on the company.

For J Kathuria & Associates
Company Secretaries

(JUHI KATHURIA)
Company Secretary in Whole time Practice
M.No. 38056
COP No. 14913
Peer Review No. 3365/2023
UDIN: A038056E000163491

Date: April 21, 2023
Place: New Delhi

FORM NO. MR.3

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES

for the Financial Year Ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s Shillong Expressway Private Limited
316-317, 'C' Wing, 3rd Floor, Kanakia Zillion,
L.B S. Marg, BKC Annex, Kurla (W)
Mumbai , MH-400070

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shillong Expressway Private Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with ***Annexure 1*** attached to this report:-:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) are Not applicable during the audit period)**

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period)**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(to the extent applicable as Material Subsidiary)**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not applicable to the Company during the Audit Period**)

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)** ;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

*The Company being a material subsidiary of Highway Infrastructure Trust ("HIT"), directors and certain employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of Highway Infrastructure Trust ("HIT").

VI. Following specific regulation is applicable to the Company:

The Company has complied with provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**. (To the extent Applicable)**

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

We have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreement entered into by the Company with Stock Exchange. **(Not Applicable during the period under Review)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above.

Based on the information received and records maintained, we further report that:

5. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. *However the Nominee Director of previous Investment Manager of Highway Infrastructure Trust (i.e. Virescent Infrastructure Investment Manager Private Limited) were continued as a Nominee Director of present Investment Manager of Highway Infrastructure Trust (i.e. Highway Concessions One Private Limited)*

   Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda except at shorter notice wherever required and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.

6. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

   Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), w**e further report that;**

   There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

   We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows-

i. SPA was executed between Virescent Infrastructure Investment Manager Private Limited and Galaxy Investments II Pte. Ltd., Highways Infrastructure Trust, and the Company on 08.08.2022 for transferring of the Equity shares including transfer of beneficial interest of the nominee shares. In compliance to the aforesaid agreements, the entire shareholding of Galaxy Investments II Pte. Ltd i.e.5,00,000 Equity Shares was transferred to Highways Infrastructure Trust on 23.08.2022 and Transfer of 18,17,000 6% Non Cumulative Redeemable Preference Shares (CCPs) of Rs. 300/- each to Highways Infrastructure Trust by Galaxy Investments II Pte. Ltd noted by way of circulation on 26.08.2022

ii. The 100 % Equity shares of the Company were pledged against a Debt of Rs. 15,000 Millions to Catalyst Trusteeship Limited

iii. The terms and conditions of the 6 % Non- cumulative Redeemable Preference Shares modified; the date of payment of has been altered.

iv. Partial Redemption of 9,08,500, 6 % Non Cumulative Redeemable Preference Shares (CCPs) of Rs. 300/- approved in the Board Meeting held on 07.11.2022.

v. Withdrawal of Capital reduction Application

   On 20.10.2020, the Company has filed a capital reduction application with the National Company Law Tribunal (NCLT), Mumbai bench. The reduction in the preference share capital shall be effected by way of:-

- cancellation / reduction of 18,17,000 (Eighteen Lakhs Seventeen Thousand) 6% Non-Cumulative Redeemable Preference Shares, of INR 10/- (Indian Rupees Ten) each fully paid at an aggregate consideration of INR 54,51,00,000/-. (Indian Rupees Fifty Four Crores Fifty One Lakhs only). Such Consideration will be discharged by payment of cash consideration to the extent of INR 15,00,00,000/ (Indian Rupees Fifteen Crores Only) and rest by way of issue of 3951 1% Unsecured Non-Convertible Debentures of face value of INR 1,00,000/- (Indian Rupees One Lakh Lakh) each, to be issued at par, to the holder of the Preference Shares .
- 18,17,000 (Eighteen Lakhs Seventeen Thousand) Preference Shares of INR 10/- each so reduced, shall stand cancelled, extinguished and

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

rendered invalid, without any further act or deed by the Company or by the shareholders of the Company.

However the Company has withdrawal the application as the existing preference shareholders i.e. India Infrastructure Fund II have informed the company that they are proposing to sell the same to an identified buyer. Accordingly the EOGM were called on 27.05.2022 of preference shareholders and on 30.05.2022 of Equity Shareholders their consent has been accorded and withdrawal Application was made and the order was received on 28th June, 2022 by NCLT, Mumbai

For J Kathuria & Associates
Company Secretaries

(JUHI KATHURIA)
Company Secretary in Whole time Practice
M.No. 38056
COP No. 14913
Peer Review No. 3365/2023
UDIN: A038056E000163456

Date: April 21, 2023
Place: New Delhi

Annexure 1

To,

The Members,

M/s Shillong Expressway Private Limited
316-317, 'C' Wing, 3rd Floor, Kanakia Zillion,
L.B S. Marg, BKC Annex, Kurla (W)
Mumbai , MH-400070

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2023 of even date is to be read along with this letter.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. As per the information provided by the Company, there are no pending cases filed by or against the company which will have major impact on the company.

For J Kathuria & Associates
Company Secretaries

(JUHI KATHURIA)
Company Secretary in Whole time Practice
M.No. 38056
COP No. 14913
Peer Review No. 3365/2023
UDIN: A038056E000163456

Date: April 21, 2023
Place: New Delhi

FORM NO. MR.3

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES

for the Financial Year Ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
NIRMAL BOT LIMITED
CIN: U45201MH2006PLC164728
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion, LBS Marg, BKC Annexe
Mumbai – 400070

Date of Incorporation: 19/09/2006
Authorized Share Capital: 35,00,00,000
Paid-up Share Capital: 31,50,00,000

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NIRMAL BOT LIMITED** (CIN: U45201MH2006PLC164728) (hereinafter called "**the Company**"/ **"Project SPVs to Highways Infrastructure Trust"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the financial year ended on **March 31, 2023** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2023** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – Not Applicable

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not Applicable

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not Applicable

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi. Following specific law is applicable to the Company:

   The Company has complied with the provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 – Complied to the extent applicable during the audit period

We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Adequate notice is given to all Directors to schedule Board and Committee Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following specific events/ actions having major bearing on the Company's affairs had taken place:

1. The Company has made pre-payment/ early full redemption of 9.38%, 2760 Listed, Secured, Rated, Taxable, and Redeemable Non-Convertible Debentures at par amounting to Rs. 119,64,01,406/- (including principal prepayment & interest incurred thereon), on 23rd September, 2022.
2. The Company has delisted 9.38%, 2760 Listed, Secured, Rated, Taxable, and Redeemable Non-Convertible Debentures of the Company of Rs. 10,00,000/- each aggregating to Rs. 2,76,00,00, 000/- (the "Debentures/NCDs") from the BSE Limited.
3. The Company has changed the terms of Compulsory Convertible Debentures held by Highways Infrastructure Trust by deleting the compulsorily convertibility clause and allowed redemption of the CCDs i.e. ("Optionally Convertible Debentures – OCD's"). Further Company has partially repaid/redeemed 33,11,246 OCDs of Face value Rs. 100/- each amounting to Rs. 32,11,24,600.

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159524

Place: Mumbai
Date: April 21, 2023

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure - A

To,
The Members,
NIRMAL BOT LIMITED
CIN: U45201MH2006PLC164728
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion, LBS Marg, BKC Annexe
Mumbai – 400070

Our report of even date is to be read along with this letter:

Management's responsibility

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Basis for Opinion

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159524

Place: Mumbai
Date: April 21, 2023

FORM NO. MR.3

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES

for the Financial Year Ended March 31, 2023

[Pursuant to Regulation 24A of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015]

To,
The Members,
DEWAS BHOPAL CORRIDOR PRIVATE LIMITED
CIN: U45203MH2007PTC170813
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion,LBS Marg, BKC Annexe
Mumbai - 400070

Date of Incorporation: 14/05/2007
Authorized Share Capital: 70,00,00,000
Paid-up Share Capital: 9,52,630

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DEWAS BHOPAL CORRIDOR PRIVATE LIMITED** (CIN: U45203MH2007PTC170813) (hereinafter called "**the Company**"/ **"Project SPVs to Highways Infrastructure Trust"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2023** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – Not Applicable

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable

iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not Applicable

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – Not Applicable

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not Applicable

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- Not Applicable

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Complied to the extent applicable during the audit period.

vi. Following specific regulation is applicable to the Company:

   The Company has complied with provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 - Complied to the extent applicable during the audit period.

We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and Committees meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following specific events/ actions having major bearing on the Company's affairs had taken place:

1. The Company has redeemed 17,000, Secured, Non-convertible debentures at a par amounting to Rs. 1,60,87,04,354 on 27th September, 2022.
2. The Company has reduced the paid-up share capital from 10,00,000/- to Rs. 9,52,630/- at Rs. 1,26,691/- per equity shares aggregating to Rs. 60,01,35,267/- by vide special resolution dated 19th October, 2022 and Hon'ble NCLT order dated 10th February, 2023.
3. The Company has declared & paid Interim dividend in accordance with the provision of section 123 of Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 and the details of the same are as follows

Date of Declaration	Interim Dividend Amount (in Rs.)
November 11, 2022	103,22,05,000
January 24, 2023	61,00,00,000

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159590

Place: Mumbai
Date: April 21, 2023

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure - A

To,
The Members,
DEWAS BHOPAL CORRIDOR PRIVATE LIMITED
CIN: U45203MH2007PTC170813
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion, LBS Marg, BKC Annexe
Mumbai - 400070

Our report of even date is to be read along with this letter:

Management's responsibility

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Basis for Opinion

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159590

Place: Mumbai
Date: April 21, 2023

FORM NO. MR.3

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES

for the Financial Year Ended March 31, 2023

[Pursuant to Regulation 24A of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015]

To,
The Members,
ULUNDURPET EXPRESSWAYS PRIVATE LIMITED
CIN: U45203MH2006PTC265580
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion, LBS Marg, BKC Annexe
Mumbai – 400070

Date of Incorporation: 20/03/2006
Authorized Share Capital: 350,00,00,000
Paid-up Share Capital: 264,55,23,650

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ULUNDURPET EXPRESSWAYS PRIVATE LIMITED** (hereinafter called "**the Company**"/ **"Project SPVs to Highways Infrastructure Trust"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2023** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – Not Applicable

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable

iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not Applicable

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – Not Applicable

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not Applicable

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- Not Applicable

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Complied to the extent applicable during the audit period.

vi. Following specific regulation is applicable to the Company:

   The Company has complied with provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 - Complied to the extent applicable during the audit period.

We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following specific events/ actions having major bearing on the Company's affairs had taken place:

1. The Company has redeemed 26470, Secured, Non-convertible debentures at a par amounting to Rs. 1,59,56,84,418/-
2. The Company has filed a petition with the Hon'ble National Company Law Tribunal, Mumbai Bench (the "Tribunal") on December 02, 2022 for reduction of 16,76,96,382 Equity Shares of Rs. 10/- each, fully paid-up out of total existing paid-up equity share capital of the Company of Rs. 2,64,55,23,650/- divided into 26,45,52,365 equity shares of Rs. 10/- each and that such reduction shall be effected by returning to the shareholders INR 11.33 per equity share, aggregating to an amount of INR 190,00,00,008/-, which shall be kept outstanding as a loan to the Company on the terms and conditions mutually agreed.

   Post the reduction, the paid-up equity share capital shall be reduced to 9,68,55,983 Equity shares of Rs. 10/- each, fully paid up.
3. The Company has changed the terms of Compulsory Convertible Debentures held by Highways Infrastructure Trust by deleting the compulsorily convertibility clause and allowed redemption of the CCDs i.e. ("Optionally Convertible Debentures – OCD's"). Further the Company has partially repaid/redeemed 21,90,493 OCDs of face value Rs. 100/- each amounting to Rs. 20,90,49,300/-.

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159557

Place: Mumbai
Date: April 21, 2023

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARIES (CONTD.)

Annexure - A

To,
The Members,
ULUNDURPET EXPRESSWAYS PRIVATE LIMITED
CIN: U45203MH2006PTC265580
Unit No 316 & 317, C Wing, Third Floor,
Kanakia Zillion, LBS Marg, BKC Annexe
Mumbai – 400070

Our report of even date is to be read along with this letter:

Management's responsibility

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

Basis for Opinion

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Dhrumil M. Shah & Co. LLP
Practising Company Secretaries
ICSI URN: L2023MH013400
PR: 3147/2023

Dhrumil M. Shah
Partner
FCS 8021 | CP 8978
UDIN: F008021E000159557

Place: Mumbai
Date: April 21, 2023

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Highways Infrastructure Trust

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Highways Infrastructure Trust ('the Trust'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Unit Holders equity for the year then ended, the Standalone Statement of Net Assets at Fair Value as at 31 March 2023, the Standalone Statement of Total Returns at Fair Value and the Standalone Statement of Net Distributable Cash Flows for the year then ended, and notes to the standalone financial statements, including and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in unitholder's equity for the year ended on that date, the net assets at fair value as at 31 March 2023, the total returns at fair value and net distributable cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SA's) and other pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. **Impairment assessment of non-current investments in and loans given to subsidiaries** Refer note 2B(f) for significant accounting policies and note 3, 4, 6, 9 and note 22 of the standalone financial statements of the Trust for the year ended 31 March 2023. The Trust has aggregate investment (net) in equity instruments of subsidiaries of ₹ 29,056.38 millions carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27'), investment in preference shares and optionally convertible debentures (OCDs) aggregating to ₹ 7,395.59 millions carried at amortised cost in accordance with IND AS 109, Financial Instruments ('Ind AS 109') and loans given to subsidiaries amounting to ₹ 12,456.86 millions outstanding as at 31 March 2023. The Trust has assessed impairment of these investments and loans since recoverability of the investments and loans is significantly dependent upon valuations of the assets held and cash flow projections of these investee companies.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of the Trust's policies and procedures to identify impairment indicators for investments and loans, and process for fair valuation of investments and loans; b) Evaluated the design of key controls implemented for identification of impairment indicators, and for fair valuation of investments and loans including controls around cash flow projections; c) Verified underlying supporting documents for all significant investments made during the year to ensure that the transaction have been accurately recorded in the standalone financial statements in accordance with Ind AS 27 and Ind AS 109, as applicable; d) Involving an auditor's valuation expert, assessed the appropriateness of the valuation methodology and assumptions used by management's valuation expert in determining the recoverable amount/fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of the management's experts involved in the process;

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Key audit matter	How our audit addressed the key audit matter
The recoverable amount of the aforesaid investments in subsidiaries has been determined by the management using discounted cash flow ('DCF') valuation method. The key assumptions underpinning management's assessment of the recoverable amounts includes but are not limited to projections of future cash flows, revenue growth rates, external market conditions and the discount rates, which involves estimation and significant management judgement. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the carrying value of such assets. Accordingly, considering the materiality, complexity and significance of judgement involved, impairment assessment of investments in and loans given to subsidiaries has been considered as a key audit matter for the current year audit.	e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); f) Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in relation to impairment of non-current investments in and loans given to subsidiaries.
B. Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value ("the statements") as per SEBI regulations Refer statement disclosed in the accompanying standalone financial statements pursuant to SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI circulars, pursuant to which the Statements are prepared by the Investment Manager of the Trust; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; c) Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of the management's experts involved in the process;
Considering the importance of the disclosure required under the SEBI Regulations to the users of the standalone financial statements, significant management judgement involved in determining the fair value of the assets of the Trust, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	d) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs). e) Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; f) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; g) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and h) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Information other than the Financial Statements and Auditor's Report thereon

6. The Board of Directors of the Investment Manager are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Responsibilities of Investment Manager and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager of the Trust). The Investment Manager is responsible for the matters with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, changes in unitholders' equity, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Circular and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors of Investment Manager are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of Investment Manager either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors of Investment Manager are also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager;
- Conclude on the appropriateness of Board of Directors of Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

INDEPENDENT AUDITOR'S REPORT (CONTD.)

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The standalone financial statements of the Trust for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 included as comparative financial information in the accompanying standalone financial statements have been certified by the Board of Directors of Investment Manager, but have not been subjected to either audit or review.

Report on Other Legal and Regulatory Requirements

16. Based on our audit and as required by the SEBI Regulations, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) the Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust; and

    c) in our opinion, the aforesaid standalone financial statements comply with Ind AS and/or any addendum thereto as defined in Rule 2(1a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 23507000BGYERQ8879

Place: Mumbai
Date: 19 May 2023

STANDALONE BALANCE SHEET

(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Financial assets			
Investments	3	36,159.46	-
Loans	4	11,450.25	-
Non-current tax assets (net)	5	1.16	-
Total non-current assets		**47,610.87**	**-**
Current assets			
Financial assets			
Investments	6	292.52	-
Cash and cash equivalents	7	265.54	-
Bank balances other than cash and cash equivalents above	8	976.43	-
Loans	9	1,006.61	-
Other current assets	10	3.02	-
Total current assets		**2,544.12**	**-**
Total assets		**50,154.99**	**-**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	11	41,550.00	-
Other equity	12	(5,715.12)	-
Total equity		**35,834.88**	**-**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	13	14,024.18	-
Total non-current liabilities		**14,024.18**	**-**

STANDALONE BALANCE SHEET (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Current liabilities			
Financial liabilities			
Borrowings	14	225.00	-
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	15	1.54	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	50.49	-
Other financial liabilities	16	2.49	-
Other current liabilities	17	16.41	-
Total current liabilities		**295.93**	**-**
Total liabilities		**14,320.11**	**-**
Total equity and liabilities		**50,154.99**	**-**
Summary of significant accounting policies	2B		

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Income and gains			
Revenue from operations			
Dividend income from subsidiaries (refer note 31)		1,642.21	-
Interest income on loans from subsidiaries	18	1,581.93	-
Other income			
Interest on fixed deposits		42.75	-
Total income and gains		**3,266.89**	**-**
Expenses and losses			
Finance costs			
Interest on term loan and non convertible debentures	19A	584.13	-
Other finance costs	19B	0.57	-
Valuation expenses		1.78	-
Audit fees	20	17.38	-
Investment manager fees (refer note 37)	37	24.87	-
Trustee fees		2.69	-
Rating fee		0.49	-
Legal and professional fees		129.33	-
Other expenses	21	16.33	-
Total expenses and losses		**777.57**	**-**
Profit before exceptional items and tax for the year/period		**2,489.32**	**-**
Exceptional items	22	2,044.59	
Profit before tax for the year/period		**444.73**	**-**

STANDALONE STATEMENT OF PROFIT AND LOSS (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Tax expense			
Current tax	24	18.27	
Deferred tax		-	-
Total tax expense		**18.27**	**-**
Net profit for the year /period		**426.46**	**-**
Other comprehensive income		-	-
Total other comprehensive income for the year/period		**-**	**-**
Total comprehensive income for the year/period		**426.46**	**-**
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	25	1.70	-
Diluted (₹)	25	1.70	-
Summary of significant accounting policies	2B		

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

STANDALONE CASH FLOW STATEMENT

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
A.	**Cash flows from operating activities**		
	Profit before tax	**444.73**	**-**
	Adjustments for:		
	Interest on compulsory convertible debentures ("CCD'S")	(357.06)	-
	Interest on rupee term loan ("RTL")	(923.98)	-
	Interest on optionally convertible debenture ("OCD'S")	(300.89)	-
	Dividend income from subsidiaries	(1,642.21)	
	Exceptional items (refer note 22)	2,044.59	-
	Interest income on bank deposits	(42.75)	-
	Loss on reduction of investment in equity	14.22	-
	Finance costs	584.70	-
	Operating loss before working capital changes and other adjustments	**(178.64)**	**-**
	Working capital changes and other adjustments:		
	Financial and other assets		
	Other current assets	(3.02)	-
	Trade payables	52.05	-
	Other financial liabilities	2.49	-
	Other current liabilities	16.41	-
	Cash used in operating activities post working capital changes	**(110.71)**	**-**
	Income tax paid (net)	(19.43)	-
	Net cash used in operating activities (A)	**(130.14)**	**-**
B.	**Cash flows from investing activities**		
	Loan given to subsidiaries	(13,606.74)	-
	Investment in CCD's of subsidiaries	(3,060.00)	-
	Proceeds from loan given to subsidiaries	1,773.52	-
	Proceeds from redemption of OCD's of subsidiaries	1,091.93	-
	Investment in bank deposits	(976.43)	-
	Investment in preference shares of subsidiary	(545.10)	-
	Redemption of preference shares	272.55	-
	Interest received on OCD's and CCD's	1,177.64	-
	Dividend received from subsidiaries	1,642.21	

STANDALONE CASH FLOW STATEMENT (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
	Interest received on rupee term loan	900.47	-
	Interest received on bank deposits	42.75	-
	Net cash used in investing activities (B)	**(11,287.21)**	**-**
C	**Cash flows from financing activities**		
	Proceeds from issuance of units	4,160.00	-
	Proceeds from borrowings	14,469.03	-
	Repayment of borrowings	(112.50)	-
	Processing fees	(118.89)	-
	Unit issue expenses	(111.58)	-
	Distribution made to unit-holders	(6030.00)	-
	Interest paid	(573.17)	-
	Net cash flow from financing activities (C)	**11,682.89**	**-**
D	**Net increase in cash and cash equivalent (A+B+C)**	**265.54**	**-**
E	Cash and cash equivalent at the beginning of the year	-	-
	Cash and cash equivalent at the end of the year (D+E) (refer note 7)	**265.54**	**-**

Note:

The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

STANDALONE STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY

A Unit capital*

(All amounts in ₹ millions unless otherwise stated)

Particulars	Number of units	Amount
Balance as at 03 December 2021	**-**	**-**
Changes in unit capital	-	-
Balance as at 31 March 2022	**-**	**-**
Changes in unit capital	415,500,000	41,550.00
Balance as at 31 March 2023	**415,500,000**	**41,550.00**

B Other equity**

Particulars	Retained earnings	Total
Balance as at 03 December 2021	-	-
Net profit for the period	-	-
Other comprehensive income	-	-
Balance as at 31 March 2022	**-**	**-**
Net profit for the year	426.46	426.46
Other comprehensive income	-	-
Total comprehensive income for the year	**426.46**	**426.46**
Less: Distribution to unit holders^	(6030.00)	(6030.00)
Less: Formation and issue expenses^^	(111.58)	(111.58)
Balance as at 31 March 2023	**(5,715.12)**	**(5,715.12)**

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations and includes interest, dividend and repayment of capital.

^^Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust

* Refer note 11

** Refer note 12

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

Disclosure persuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations with read SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Statement of Net Distributable Cash Flows

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Net Distributable Cash Flows of the Project Entities**		-
	a) in the form of interest / accrued interest / additional interest	2,078.10	
	b) in the form of dividend	1,893.32	-
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	3,264.77	-
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	294.45	
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	18,629.03	-
3	Any other income accruing at the Highways Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Highways Trust	42.75	-
	Total cash inflow at the InvIT level (A)	**26,202.42**	**-**
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(889.75)	-
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(116.10)	-
6	Income tax (if applicable) for standalone Highways Trust and / or payment of other statutory dues	(18.27)	-
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	-
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(976.43)	-
9	Amount invested in any of the Project SPVs for service of debt or interest	(17,211.84)	-
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	(146.33)	-
	Total adjustments at the Trust level (B)	**(19,471.22)**	**-**
	Net Distributable cash flows (C)=(A+B)	**6,731.20**	**-**

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Statement of Net Distributable Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

Disclosure persuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations with read SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Standalone Statement of Net Assets at Fair Value

Particulars	As at 31 March 2023		As at 31 March 2022	
	Book value	Fair value^	Book value	Fair value^
A. Assets	50,154.99	53,258.18	-	-
B. Liabilities (at book value)	14,320.11	14,320.11	-	-
C. Net assets (A-B)	35,834.88	38,938.07	-	-
D. No of units (in millions)	415.50	415.50	-	-
E. NAV (C/D)	86.25	93.71	-	-

^Fair values of total assets relating to the Trust as at 31 March 2023 as disclosed above are based on the fair valuation report of the independent valuer appointed by the Trust.

Standalone Statement of Total Return at Fair Value:

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022^
Total comprehensive income for the year (As per the Standalone Statement of Profit and Loss)	426.46	-
Add: Other changes in fair value for the year *	3,103.19	-
Total return	**3,529.65**	**-**

*In the above statement, other changes in fair value for the year ended 31 March 2023 has been computed as difference between book value of total assets as at 31 March 2023 and the fair value of total assets as at 31 March 2023 which is based on the valuation report of the independent valuer appointed by the Trust.

** The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act , 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations,as on 23 December 2021 having registration number IN/InvIT/21-22/0019. The Trust alloted units to sponsor on 22 August 2022 pursuant to private placement of units of the Trust, hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31 March 2022 and from the period from 03 December 2021 to 31 March 2022 is not given.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Net Assets at Fair Value and Standalone Statement of Total Return at Fair Value referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

(All amounts in ₹ millions unless otherwise stated)

1. Trust Information

The Trust is an irrevocable trust settled by Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulation 2014 as amended from time to time ("SEBI Regulations") . The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager till 22 November 2023 and with effect from 23 November 2023 the same is Highway Concessions One Private Limited (the "Investment Manager")

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/ subsidiaries").

During the current year ended 31 March 2023, the Trust acquired 100% equity control in following Project SPVs from the Sponsor w.e.f. 23 August 2022. The SPVs have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at 31 March 2023	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	21 January 2010	Gujrat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal Limited ("NBL" Bot)	100%	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is Unit no.316-317,3rd Floor, C Wing, Kanakia Zillion BKC Annex, Kurla West, Mumbai, MH -400070. The standalone financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 19 May 2023

2A. Standards issued but not yet effective

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information need not be disclosed. If it is disclosed, it should not obscure material accounting information. The Trust is evaluating the requirement of the said amendment and it's impact on these standalone financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate.' As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques. The Trust is evaluating the requirement of the said amendment and it's impact on these standalone financial statements.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities. The Trust is evaluating the requirement of the said amendment and it's impact on these standalone financial statements.

2B. Summary of significant accounting policies

a. **Overall consideration**

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements of the Trust have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("SEBI Regulations") including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 & 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvIT's) (herein after collectively referred to as 'SEBI Circulars'). The Trust has uniformly applied the accounting policies during the periods presented.

The Standalone financial statements are presented in India Rupees which is also the functional currency of the Trust and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The standalone financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on 19 May 2023. The revision to the financial statements is permitted by the Board of Directors of the Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act 2013 ("Act").

b. **Use of estimates and judgements**

The preparation of standalone financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the standalone financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

i. **Provisions and liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

ii. **Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

iii. **Recoverability of loans/ receivables**

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

iv. **Contingent liabilities**

The Trust is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Trust often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Trust accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

(All amounts in ₹ millions unless otherwise stated)

v. **Impairment of investments, loans, optionally convertible debentures and preference shares**
Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments, loans, optionally convertible debentures and preference shares are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

vi. **Useful lives of depreciable / amortizable assets**

Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

vii. **Fair value measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Trust engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of investments are disclosed in the notes to standalone financial statements.

viii. **Income taxes**

The Trust's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

c. **Basis of classification as current and non-current**

The Trust presents assets and liabilities in the Standalone balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Trust's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d. **Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized :

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividend Income

Income from dividend is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

e. **Taxation**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Trust and the same taxation authority.

f. **Impairment of non-financial assets**

At each reporting date, the Trust assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate.

g. **Provisions, contingent liabilities and contingent assets**

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized

h. **Investments in subsidiaries**

The Trust accounts for its investments in equity share capital of subsidiaries at cost less accumulated impairment losses, if any in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27') and investment in preference shares optionally convertible debentures (OCD's) at amortized cost in accordance with Ind AS 109 "Financial Instruments".

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

i. **Financial Instruments**

Initial recognition and measurement

Financial instruments are recognised when the Trust becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cashflows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Trust has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted**.**

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de- recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j. **Fair value measurement**

The Trust measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 28 for fair value hierarchy.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within

the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as investments, where required. Involvement of external valuers is decided by the Trust on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Trust after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Trust analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the Trust verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

(All amounts in ₹ millions unless otherwise stated)

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortized cost) (note 29).

k. **Impairment of financial assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Trust applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Trust in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Trust is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

l. **Segment reporting**

The Trust is engaged in investment in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Trust's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

m. **Borrowing costs**

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

n. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o. **Contributed equity**

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

p. Classification of Unitholders' fund

Under the provisions of the SEBI InvIT Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period . Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind .AS 32 - Financial Instruments: Presentation.

(All amounts in ₹ millions unless otherwise stated)

However, in accordance with SEBI Circulars (No. CIR/IMD/DF-1 14/2016 dated 20 October 2016 and No. CIR/IMD/DF /127 /2016 dated 29 November 2016) issued under the SEBI InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

q. **Distribution to unit holders**

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

r. **Earnings per unit**

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
3 Non-current investments		
Investment in equity instruments (unquoted, at cost)^		
Investment in related parties (refer note 31)		
264,552,365 (31 March 2022: Nil) equity shares of UEPL of face value ₹ 10/- each	3,004.95	-
31,500,000(31 March 2022: Nil) equity shares of NBL of face value ₹ 10/- each	354.41	-
23,380,840(31 March 2022: Nil) equity shares of GEPL of face value ₹ 10/- each	11,167.09	-
95,263 (31 March 2022: Nil) equity shares of DBCPL of face value ₹ 10/- each *	12,355.00	-
500,000 (31 March 2022: Nil) equity shares of SEPL of face value ₹ 10/- each	356.27	-
61,640 (31 March 2022: Nil) equity shares of JPEPL of face value ₹ 10/- each	3,863.25	-
Investment in Optionally Convertible Debentures unquoted, at cost#		
Investment in related parties (refer note 31)		
50,941,358 (31 March 2022: Nil) OCD's of GEPL of face value ₹ 88.97/- each **	4,586.36	-
23,338,315 (31 March 2022: Nil) OCD's of JPEPL of face value ₹ 100/- each **	2,516.72	-
	38,204.05	**-**
Less: Impairment of non-current investments	2,044.59	-
	36,159.46	**-**
Aggregate amount of unquoted investments	36,159.46	-
Aggregate amount of impairment in the value of investments	2,044.59	-

^Investments in subsidiaries are stated at cost using the exemption provided as per Ind AS 27 'Separate Financial Statements'.

*The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of DBCPL on 23 February 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognized in the statement of profit or loss of the standalone financial statement of the Trust.

** Includes interest accrued of ₹ 54.11 millions in GEPL and ₹ 183.02 millions in JPEPL.

These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

Notes:

(i) For assets pledged as security, refer note 23.

(ii) During the financial year ended 31 March 2023, the compulsory convertible debentures (CCD) has been converted into optional convertible debentures (OCD) having a term of 30 years from the original date of issue. The outstanding OCD shall earn coupon at the rates of 14% p.a. payable annually or as may be mutually agreed between holder and issuer.

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
4 Non-current loans		
Loans receivables considered good - Secured		
Loan to related parties (refer note 31)		
UEPL	521.86	-
NBL	915.08	-
GEPL	4,037.42	-
DBCPL	2,440.94	-
JPEPL	2,514.81	-
Loans receivables considered good - Unsecured		
Loan to related parties (refer note 31)		
JPEPL	350.00	-
UEPL	70.00	-
DBCPL {refer note (iii) below}	600.14	-
Total	**11,450.25**	**-**

Notes:

(i) Refer note 28 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 29 - Financial risk management for assessment of expected credit losses.

(ii) For assets pledged as security, refer note 23.

(iii) The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of DBCPL on 23 February 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognized in the statement of profit or loss of the standalone financial statememt of the Trust.

	As at 31 March 2023	As at 31 March 2022
5 Non-current tax assets (net)		
Advance income tax (net of provisions)	1.16	-
	1.16	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
6 Investments - Current		
Investment in preference shares unquoted, at cost^		
Preference shares of SEPL	272.55	-
Investment in Optionally Convertible Debentures (OCD's),at cost^		
2,190,493 OCD's of UEPL of face value Rs. 4.56/-	9.99	-
3,311,246 OCD's of NBL of face value Rs. 3.02/-	9.98	-
	292.52	**-**

^ These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

	As at 31 March 2023	As at 31 March 2022
7 Cash and cash equivalents		
Balances with banks:		
- in current accounts	2.09	-
- deposits with original maturity less than three months*	263.45	-
	265.54	**-**

* Includes interest accrued but not due

Notes:

(i) For assets pledged as security, refer note 23.

	As at 31 March 2023	As at 31 March 2022
8 Bank balances other than cash and cash equivalents		
Deposits with original maturity more than three months but less than twelve months*#	976.43	-
	976.43	**-**

* Includes interest accrued but not due

Includes deposits pledged against Major maintenance reserve (MMR) and debt service reserve account (DSRA)

Notes:

(i) For assets pledged as security, refer note 23.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the reporting year and the comparative year.

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
9 Loans - current		
Loans receivables considered good - secured		
Loan to related parties (refer note 31)		-
UEPL	648.32	-
NBL	54.71	-
GEPL	18.53	-
DBCPL	262.71	-
JPEPL	22.34	-
Total	**1,006.61**	**-**

(i) For assets pledged as security, refer note 23.

(ii) The carrying values are considered to be a reasonable approximation of fair value.

(iii) Includes interest accrued but not due

	As at 31 March 2023	As at 31 March 2022
10 Other current assets		
Prepaid expenses	3.02	-
	3.02	**-**

	As at 31 March 2023	As at 31 March 2022
11 Equity		
a) Unit capital		
415,500,000 units (31 March 2022 : Nil) of ₹100 each	41,550.00	-
	41,550.00	**-**

(i) Terms/rights attached to unit capital:

Subject to the provisions of the SEBI Regulations, the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust').

b) Right to receive income or distributions with respect to the units held.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to receive periodic information-the Investment Manager, on behalf of the Highways Infrastructure Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the InvIT Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI.

e) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

f) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholders.

No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations

In terms of the InvIT Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement

(ii) Reconciliation of units outstanding at the beginning and at the end of the year/period :

	31 March 2023		31 March 2022	
	No. of units	(₹ in million)	No. of units	(₹ in million)
Unit capital of ₹100 each fully paid up				
Balance at the beginning of the year/period	-	-		-
Add: Units issued during the year/period	415,500,000	41,550.00	-	-
Balance at the end of the year/period	**415,500,000**	**41,550.00**	**-**	**-**

(All amounts in ₹ millions unless otherwise stated)

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date

	31 March 2023		31 March 2022	
	No. of units	% holding	No. of units	% holding
Galaxy Investments II Pte. Ltd.	373,900,000	89.99%	-	0%
2452991 Ontario Limited	31,200,000	7.51%	-	0%

(iv) There were no units issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back since the date of incorporation.

	As at 31 March 2023	As at 31 March 2022
12 Other equity		
Retained earnings	(5,715.12)	-
	(5,715.12)	**-**

Description of nature and purpose of each reserve:

Retained earnings

Retained earnings are created from the profit/(loss) of the Trust, as adjusted for distributions to owners, transfers to other reserves, etc.

	As at 31 March 2023	As at 31 March 2022
13 Borrowings		
Term Loans (secured)		
Non convertible debentures	6,351.05	
Rupee term loans from banks	7,673.13	-
Total Non-current borrowings (excluding current maturities)	**14,024.18**	**-**
Current maturities of long-term borrowings (refer note 14)		
-Rupee term loans from banks	160.00	
-Non convertible debentures	65.00	
Total borrowings (including current maturities)	**14,249.18**	**-**

(i) Refer note 28 - Fair value disclosures for disclosure of fair value in respect of financial liabilities measured at amortised cost and note 29 - Financial risk management for presentation of financial instruments by category

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(ii) **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

Particulars	Non-current borrowings (including current maturities)
Balance as at 03 December 2021	**-**
Cash flows:	
Proceeds from issue of unit capital	-
Repayment of borrowings	-
Processing fees	-
Non-cash:	
Impact of amortised cost adjustment for borrowings	-
Balance as at 31 March 2022	**-**
Cash flows:	
Proceeds from borrowings (net of processing fees)	14,350.14
Repayment of borrowings	(112.50)
Non-cash:	
Impact of amortised cost adjustment for borrowings	11.54
Balance as at 31 March 2023	**14,249.18**

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

A. Repayment terms

Repayment terms of rupee (including short term borrowings) term loan (RTL):

Rupee term loan from banks (including short term borrowings) of ₹ 7,833.13 millions (31 March 2022: Nil) which carries weighted average interest rate of @ 7.94% p.a. (31 March 2022: Nil) linked to 1 year MCLR of respective banks plus spread, the interest rate will reset on an annual basis. The said loan is repayable in 55 structured quaterly installments starting from 30 September 2022 and ending on 31 March 2036.

Repayment terms of non-convertible debentures (NCD):

The Trust has raised senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹4,000 millions for Series I at coupon rate of 7.71% p.a. and ₹2,500.00 millions for Series II at coupon rate of 8.25% p.a having an outstanding balance as at 31 March 2023 of ₹ 6,416.05 millions (31 March 2022: ₹ Nil) which will mature on 22 December 2025 and 22 September 2029 respectively.The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quaterly installments starting from 31 December 2022 and ending on 22 December 2025. Further series II NCDs is repayable in 28 structured quaterly installments starting from 31 December 2022 and ending on 22 September 2029.

(All amounts in ₹ millions unless otherwise stated)

B. Security clause: non-convertible debenturs (NCD) and rupee term loan (RTL) are secured by:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: (i) all receivables of the Issuer from the HoldCos and SPVs; (ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and (v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

(b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future ;

(c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs.;

(d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA.;

(e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan.;

(f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities");

(g) undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee; and

(h) unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee")

	As at 31 March 2023	As at 31 March 2022
14 Current borrowings		
Current maturities of non-current borrowings (refer note 13)		
- Rupee term loans from banks	160.00	-
- Non convertible debentures	65.00	-
	225.00	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022
15	**Trade payables**		
	Total outstanding dues of micro and small enterprises (refer note (ii) below)	1.54	-
	Total outstanding due to creditors other than micro and small enterprises		
	- Related parties (refer note 31)	22.76	-
	- Others	27.73	-
		52.03	**-**
Note:-			
(i)	Refer note- 29 Financial risk management for presentation of financial instruments by category.		
(ii)	**Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006**		
	On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Trust, the following are the details:		
a)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	1.54	-
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(All amounts in ₹ millions unless otherwise stated)

Ageing schedule of trade payable.

Particulars	As at 31 March 2023					
	Outstanding for following period from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	-	1.54	-	-	-	1.54
(ii) Undisputed dues - Others	28.45	22.04	-	-	-	50.49
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**28.45**	**23.58**	**-**	**-**	**-**	**52.03**

Particulars	As at 31 March 2022					
	Outstanding for following period from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	-	-	-	-	-	-
(ii) Undisputed dues - Others	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

		As at 31 March 2023	As at 31 March 2022
16	**Other financial liabilities**		
	Interest accrued on rupee term loan	1.19	-
	Interest accrued on Non Convertible Debentures ('NCD's')	1.30	-
	Others payable	0.00	-
		2.49	**-**
17	**Other current liabilities**		
	Statutory liabilities	16.41	-
		16.41	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
18	**Interest income from subsidiaries**		
	- Interest on compulsory convertible debentures ("CCD'S")	357.06	-
	- Interest on rupee term loan ("RTL")	923.98	-
	- Interest on OCD'S	300.89	-
		1,581.93	**-**
19A	**Interest on term loan and non convertible debentures**		
	- on rupee term loan	308.71	-
	- on non-convertible debentures	275.42	-
		584.13	**-**
19B	**Other finance costs**		
	Finance and bank charges	0.57	-
		0.57	**-**
20	**Audit fees**		
	Statutory audit and limited review fees	15.43	-
	Certification fees	1.24	-
	Out of pocket expenses	0.71	-
		17.38	**-**
21	**Other expenses**		
	Telephone and communication	0.01	-
	Rates and taxes	0.01	-
	Demat fees	0.02	-
	Loss on reduction of investment in equity	14.22	-
	Miscellaneous expenses	2.07	-
		16.33	**-**

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
22	**Exceptional items**		
	Impairment of non-current investments - SEPL	154.38	-
	Impairment of non-current investments - NBL	244.05	-
	Impairment of non-current investments - JPEPL	1,509.31	
	Impairment of non-current investments - DBCPL	136.85	
		2,044.59	**-**

Note

As per Ind AS 36 'Impairment of Assets', management carried out the impairment assessment of investment in subsidiaries and provided for an impairment loss of ₹ 2,044.59 millions (03 December 2021 to 31 March 2022: ₹ Nil) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended 31 March 2023. The recoverable value determined through value in use method in respect of investment in subsidiary. The discount rate used for determining the recoverable value is 10.55% for DBCPL, 10.50 % for JPEPL, 8.38% for SEPL and 8.35% for NBL for the year ended 31 March 2023 and Nil for period from 03 December 2021 to 31 March 2022.

Recoverable Value:	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
DBCPL	12,218.15	-
SEPL	201.89	-
NBL	110.36	-
JPEPL	2,353.95	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022
23	**Assets pledged as security**		
	Current		
	Investments (refer note 6)	292.52	-
	Cash and cash equivalents and bank balances other than cash and cash equivalents (refer note 7 and 8)	1,241.97	-
	Loans (refer note 9)	1,006.61	-
	Other current assets (refer note 10)	3.02	-
	Total current assets pledged as security	**2,544.13**	**-**
	Non-current		
	Investments (refer note 3)	36,159.46	-
	Loans (refer note 4)	11,450.25	-
	Non-current tax assets (net)(refer note 5)	1.16	-
	Total non-currents assets pledged as security	**47,610.86**	**-**
	Total assets pledged as security	**50,154.99**	**-**

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
24	**Tax expense**		
	Income tax expense recognised in Statement of Profit and Loss		
	Current tax	18.27	-
		18.27	**-**
	The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:		
	Profit before tax	444.73	-
	Income tax using the Trust's domestic tax rate *	42.74%	-
	Expected tax expense [A]	**190.10**	**-**
	Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
	Tax impact of exempt income as per Income Tax Act, 1961	(1,378.12)	-
	Tax impact of non-deductable expenditure pursuant to section 14A of the Income Tax Act, 1961	1,206.30	-
	Total adjustments [B]	**(171.83)**	**-**

(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Actual tax expense [C=A+B]	**18.27**	**-**
* Domestic tax rate applicable to the Trust has been computed as follows:		
Base tax rate	30.00%	-
Surcharge (% of tax)	37.00%	-
Cess (% of tax)	4.00%	-
Applicable tax rate	42.74%	-

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
25	**Earnings per unit (EPU)**		
	Net profit attributable to unitholders	**426.46**	**-**
	Number of weighted average units (nominal value of Rs 100 each)**		
	- Basic EPU	25,15,76,712	-
	- Diluted EPU	25,15,76,712	-
	Earnings per unit - after exceptional items and tax		
	- Basic EPU	1.70	-
	- Diluted EPU	1.70	-

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the year. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

** Units were issued on 23 August 2022, however for the purpose of earning per unit has been arrived without considering weighted average number of units as the income statement pertains to year ended 31 March 2023.

26 Capital and other commitments

Commitments as at 31 March 2023 is Nil (31 March 2022: Nil)

27 Contingent liabilities and claims

Contingent Liabilities as at 31 March 2023 is Nil (31 March 2022: Nil)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

28 Fair value disclosures

(i) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at 31 March 2023		As at 31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (refer note 3 and 6)	Level 3	36,451.98	38,846.67	-	-
Cash and cash equivalents (refer note 7)	Level 3	265.54	265.54	-	-
Bank balances other than cash and cash equivalents above (refer note 8)	Level 3	976.43	976.43	-	-
Loans	Level 3	12,456.86	12,456.86	-	-
Total financial assets		**50,150.81**	**52,545.50**	**-**	**-**
Financial liabilities					
Borrowings (including current maturities of non-current borrowings) (refer note 13 and 14)	Level 3	14,249.18	14,249.18	-	-
Trade payables (refer note 15)	Level 3	52.03	52.03	-	-
Other financial liabilities (refer note 16)	Level 3	2.49	2.49	-	-
Total financial liabilities		**14,303.70**	**14,303.70**	-	-

Valuation process and technique used to determine fair value

*The fair values of the Trust's loans and Investments are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting year end was assessed to be insignificant.

Note: There are no level 1 and level 2 Investment made by the Trust as at 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

29 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments* (refer note 3 and 6)	-	-	7,395.59	-	-	-
Cash and cash equivalents (refer note 7)	-	-	265.54	-	-	-
Bank balances other than cash and cash equivalents above (refer note 8)	-	-	976.43	-	-	-
Loans (refer note 4 and 9)	-	-	12,456.86	-	-	-
Total	**-**	**-**	**21,094.42**	**-**	**-**	**-**
Financial liabilities						
Borrowings (including current maturities of non-current borrowings) (refer note 13 and 14)	-	-	14,249.18	-	-	-
Trade payables (refer note 15)	-	-	52.03	-	-	-
Other financial liabilities (refer note 16)	-	-	2.49	-	-	-
Total	**-**	**-**	**14,303.70**	**-**	**-**	**-**

*Excludes investment in equity instruments of subsidiaries amounting to ₹ 29,056.38 carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27')

ii) Risk Management

The Trust's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Trust's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements :

Risk	Exposure arising from	Measurement	Management manages risk by
Credit risk	Cash and cash equivalents, Loans carried at amortised cost Bank balances other than cash and cash equivalents	Ageing analysis	Investing in bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investments measured at fair value through profit and loss	Sensitivity analysis	Diversification of portfolio of its assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

The Trust's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of Investment manager. The Board of Directors of Investment manager provides principles for overall risk management, as well as policies covering specific areas ,such as interest rate risk,credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Trust. The Trust is exposed to this risk for various financial instruments, for example by granting loans and making deposits, etc. The Trust's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- loans and receivables carried at amortised cost.

a) Credit risk management

The Trust assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of counterparties, identified either individually or by the Trust, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Trust assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Assets under credit risk :

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
A: Low	Cash and cash equivalents	265.54	-
	Bank balances other than cash and cash equivalents above	976.43	-
B. High	Investments	7,395.59	-
	Loans to related parties	12,456.86	-
	Total	**21,094.42**	**-**

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Loans and non-current investments measured at amortised cost

Loans measured at amortised cost loans given to related parties. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(All amounts in ₹ millions unless otherwise stated)

b) Expected credit losses

Financial assets (other than trade receivables)

The Trust provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents- Since the Trust deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans - Credit risk is evaluated based on the Trust's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans which has been given to its subsidiary companies, credit risk in respect of these loans is evaluated as high.

B) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Trust closely monitors its liquidity and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Trust has access to no undrawn borrowing facilities at the end of the 31 March 2023 and 31 March 2022.

b) Maturities of financial liabilities

The tables below analyse the Trust's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	1,359.85	6,618.14	2,632.74	10,925.12	**21,535.85**
Other financial liabilities	2.49	-	-	-	**2.49**
Trade payable	52.03	-	-	-	**52.03**
Total	**1,414.37**	**6,618.14**	**2,632.74**	**10,925.12**	**21,590.38**

As at 31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	-	-	-	-	**-**
Other financial liabilities	-	-	-	-	**-**
Trade payable	-	-	-	-	**-**
Total	**-**	**-**	**-**	**-**	**-**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

C) Price risk

i) Exposure

The Trust is not exposed to price risk as at balance sheet date.

D) Interest rate risk

i) Liabilities

The Trust's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Trust's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Trust to interest rate risk:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	7,833.13	-
Fixed rate borrowing	6,416.05	-
Total borrowings	**14,249.18**	**-**
Amount disclosed under current borrowings	225.00	-
Amount disclosed under non current borrowings	**14,024.18**	**-**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2023	As at 31 March 2022
Interest sensitivity*		
Interest rates – increase by 100 bps*	78.33	-
Interest rates – decrease by 100 bps*	(78.33)	-

** Holding all other variables constant*

ii) Assets

The Trust's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(All amounts in ₹ millions unless otherwise stated)

30 Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may return capital to shareholders or issue new shares. The Trust monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within its net debt, borrowings less cash and cash equivalents.

Debt equity ratio

Particulars	31 March 2023	31 March 2022
Net debts*	13,983.64	-
Total equity	35,834.88	-
Net debt to equity ratio	**0.39**	-

Net debt*

Particulars	31 March 2023	31 March 2022
Non current borrowings	14,024.18	-
Current borrowings	225.00	-
Less: Cash and cash equivalents	(265.54)	-
Net debt	**13,983.64**	**-**

31 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

I. Following are the related parties and transactions entered with related parties for the year ended 31 March 2023 and for the period ended 31 March 2022:

A. Related parties where control exists

Subsidiaries

Ulundurpet Expressways Private Limited '
Nirmal BOT Limited
Godhra Expressways Private Limited
Dewas Bhopal Corridor Private Limited
Shillong Expressway Private Limited
Jodhpur Pali Expressway Private Limited

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

KKR Asia Pacific Infrastructure Investors SCSp

Ultimate holding entity

KKR & Co. Inc.

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

**With whom the Trust had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C (v) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C (ii) for details of KMP of Virescent Infrastructure Investment Manager acting as investment manager of the trust uptil 22 Novemeber 2022.

II. List of additional related parties as per Regulation 2(1)(zv) of the InvIT Regulations

A. Parties to Highways Infrastructure Trust

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Highway Concessions One Private Limited ("HC1")- Investment Manager of Trust (w.e.f 23 November 2022)

Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto 22 November 2022)

HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)

Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto 13 November 2022)

Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited Highway concessions one (w.e.f. 14 November 2022)

Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited Terra (upto 22 November 2022)

(All amounts in ₹ millions unless otherwise stated)

C. Directors of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Mr. Cecilio Velasco (Director) (upto 26 January 2022)

Mr. Tang Jin Rong (Director)

Mr. Madhura Narawane (Director) (W.e.f 26 January 2022)

(ii) Directors and KMP of Virescent Infrastructure Investment Manager Private Limited

Mr. Vinay Kumar Pabba, Director w.e.f 26 November 2021 till 01 February 2022

Mr. Pradeep Kumar Panja, Director

Mr. Sanjay Grewal , Wholetime Director

Mr. Akshay Jaitly, Independent Director

Mr Hardik Bhadrik Shah, Director

Mr Aditya Narayan, Independent Director

Ms Daisy Devassy Chittilapilly, Independent Director

Ms. Charmi bhoot , Company Secretary and Compliance Officer

(iii) Directors of Virescent Renewable Energy Project Manager Private Limited

Mr. Sanjay Grewal , Director

Mr. Atul Raizada , Director

(iv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director

Mr. Rajesh Kumar Dahiya (Director)

Mr. Ganesh Sankaran (Director)

(v) Directors and KMP of Highway Concessions One Private Limited

Mr Hardik Bhadrik Shah, Non-executive Director

Mr Neeraj Sanghi, CEO (KMP), Whole time Director

Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)

Ms. Ami Vinoo Momaya , Non-executive Director

Mr Subramanian Janakiraman , Independent Director (w.e.f 04 March 2022)

Mr Manish Agarwal, Independent Director (from w.e.f 14 September 2022)

Ms. Kunjal Shah , Company Secretary and Compliance Officer

Mr. Narayanan Doraiswamy, Chief Financial Officer

(vi) Directors of HC One Project Manager Private Limited

Mr Neeraj Sanghi, Director (w.e.f 20 September 2022)

Mr Zafar Khan, Director (w.e.f 20 September 2022)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Galaxy Investment II Pte. Ltd		
Transaction during the year/period		
Issue of unit capital	37,390.00	-
Distribution to unit-holders^	5,426.24	-
Investment in compulsarily convertible debentures ('CCD's)	3,060.00	
Investment in preference shares	545.10	
Balance outstanding at the end of the year/period		
Unit capital	37,390.00	-
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the year/period		
Investment manager fees	2.36	-
Reimbursement of expenses	71.25	-
Balance outstanding at the end of the year/period		
Investment manager fees payable	2.16	-
Highway Concessions One Private Limited		
Transaction during the year/period		
Investment manager fees	22.51	-
Reimbursement of expenses	44.85	-
Balance outstanding at the end of the year/period		
Investment manager fees payable	20.60	-
Nirmal BOT Ltd		
Transaction during the year/period		
Loan given	1,158.30	-
Proceeds from redemption of OCD's of subsidiaries	321.11	-
Refund of loan given	188.88	-
Investment in optionally convertible debentures of subsidiaries (OCD's)	331.11	-
Impairment of non current investment (exceptional items)	244.05	-
Investment in equity instruments of subsidiaries	354.41	-
Interest on loan given	82.82	-
Interest on CCD's and OCD's given	25.36	-

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Balance outstanding at the end of the year/period		
Investments in equity instruments of subsidiaries (net of impairment)	110.36	-
Investment in optionaly convertible debentures of subsidiaries (OCD's)	9.98	-
Interest receivable	0.37	-
Loan receivable	969.42	-
Dewas Bhopal Corridor Private Limited		
Transaction during the year/period		
Loan given	2,814.94	-
Recognition of loan pursuant to equity share capital reduction	600.14	-
Refund of loan given	115.00	-
Impairment of non current investment (exceptional items)	136.85	-
Investment in equity instruments of subsidiaries	12,969.36	-
Reduction in value of investment in equity pursuant to share capital reduction	614.36	
Interest on loan given	203.45	-
Dividend distribution	1,642.21	-
Loss on reduction of investment in equity	14.22	-

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Dewas Bhopal Corridor Private Limited		
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	12,218.15	-
Loan recievable	3,300.08	-
Interest recievable	3.71	-
Ulundurpet Expressways Private Limited		
Transaction during the year/period		
Loan given	2,699.29	-
Proceeds from redemption of OCD's of subsidiaries	209.05	-
Refund of loan given	1,459.64	-
Investment in optionally convertible debentures of subsidiaries (OCD's)	219.04	-
Investment in equity instruments of subsidiaries	3,004.95	-
Interest on loan given	189.12	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Interest on CCD's and OCD's	16.88	-
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	3,004.95	-
Investment in optionaly convertible debentures (OCD's) of subsidiaries	9.99	-
Interest recievable	0.53	-
Loan recievable	1,239.65	-
Godhra Expressways Private Limited		
Transaction during the year/period		
Loan given	4,059.40	-
Proceeds from redemption of OCD's of subsidiaries	561.76	-
Refund of loan given	5.00	-
Investment in optionally convertible debentures (OCD's) of subsidiaries	5,094.01	-
Investment in equity instruments of subsidiaries	11,167.09	-
Interest on loan given	295.69	-
Interest on CCD's and OCD's	417.88	-
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	11,167.09	-
Investment in optionaly convertible debentures (OCD's) of subsidiaries	4,532.25	-
Interest Receivable on rupee term loans (RTL)	1.55	-
Interest Receivable on OCD's	54.11	-
Loan Receivable	4,054.40	-
Jodhpur Pali Expressway Private Limited		
Transaction during the year/period		
Loan given	2,874.81	-
Refund of loan given	5.00	-
Investment in optionally convertible debentures of subsidiaries	2,333.70	-
Investment in equity instruments of subsidiaries	3,863.25	-
Interest on loan given	152.90	-
Interest on CCD's and OCD's	197.83	-
Impairment of non current investment (exceptional items)	1,509.31	

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Jodhpur Pali Expressway Private Limited		
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	2,353.94	-
Investment in optionally convertible debentures of subsidiaries	2,333.70	-
Interest Receivable on OCD's and CCD's	183.02	-
Interest Receivable on RTL	17.34	-
Loan Receivable	2,869.81	-
Shillong Expressway Private Limited		
Transaction during the year/period		
Impairment of non current investment (exceptional items)	154.38	-
Investment in equity instruments of subsidiaries	356.27	-
Investment in preference shares of subsidiaries	545.10	-
Proceeds from redemption of preference shares	272.55	-
Balance outstanding at the end of the year/period		
Investments in equity instruments of subsidiaries (net of impairment)	201.89	-
Investment in preference shares of subsidiaries	272.55	-
Axis Trustee Services Limited		
Transaction during the year/period		
Trustee fees	0.83	-

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations and includes interest, dividend and repayment of capital.

IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023 are as follows:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convetible Debentures (CCD):

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

* During the financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs")

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. 'Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

32 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Trust's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

33 Revenue from contracts with customers

A Disaggregation of revenue

Revenue recognised mainly comprises of interest income on loan to related parties and dividend income from related parties. Set out below is the disaggregation of the Trust's revenue from contracts with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
Operating revenue		
Interest on compulsory convertible debentures ("CCD'S")	357.06	-
Interest on rupee term loan ("RTL")	923.98	-
Interest on optionally convertible debenture ("OCD'S")	300.89	-
Dividend income from related parties	1,642.21	-
Total revenue	**3,224.14**	**-**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2023 and year ended 31 March 2022 :

(All amounts in ₹ millions unless otherwise stated)

S.No.	Types of Products by Nature	Types of Services by timing	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Interest income	Over the period of time	1,581.93	-
2	Dividend income	At the point of time	1,642.21	-

B Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at 31 March 2023	As at 31 March 2022
Contract assets		
Interest Receivable on OCD's	237.13	-
Interest Receivable on RTL	23.51	-
Total	**260.64**	-

C There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement to the with the contracted price under the Contract.

34 Financial ratios

Ratio	Numerator	Denominator	As at 31 March 2023 Ratio	As at 31 March 2022 Ratio	% Change*
Current ratio	Current assets	Current liabilities	8.60	-	100.00%
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	0.40	-	100.00%
Debt service coverage ratio	Profit before tax + finance costs+ exceptional items	Finance costs + Principal repayment for borrowings	4.41	-	100.00%
Return on equity ratio (in %)	Profit after tax	Average of total equity	2.38%	-	100.00%
Inventory turnover ratio**	Costs of materials consumed	Average inventories	N.A	-	
Trade receivables turnover ratio***	Revenue from operations	Average trade receivables	N.A	-	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Ratio	Numerator	Denominator	As at 31 March 2023 Ratio	As at 31 March 2022 Ratio	% Change*
Trade payables turnover ratio	Other expenses	Average trade payables	3.71	-	100.00%
Interest service coverage ratio	Profit before tax + finance costs	finance cost	5.26	-	100.00%
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	1.43	-	100.00%
Net profit ratio	Profit after tax	Revenue from operations	13.23%	-	100.00%
Return on capital employed (in %)	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.02	-	100.00%
Return on investment (in %)	Revenue from operations	Instruments entirely equity in nature + Instruments in OCD & CCD +Rupee term loan given to SPV's	6.77%	-	100.00%

*The Trust was formed on 03 December 2021 and there were no transactions in the period from 03 December 2021 to 31 March 2022 as certified by management.

** The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

*** The Trust does not have any trade receivables, therefore, trade receivable turnover ratio is not applicable.

Note:

The Trust has outstanding secured non-convertible debentures (NCD's) amounting to ₹ 6,416.05 millions (31 March 2022 : Nil) for Series I and Series II which will mature on 22 December 2025 and 22 September 2029 respectively. The NCD's are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of NCD's as at 31 March 2023. For details with respect to security refer note 13.

(All amounts in ₹ millions unless otherwise stated)

35 The Board of Directors of the Investment Manager have declared distribution of ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,010.00 millions, ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,009.98 millions and ₹ 4.8376 (rounded off) per unit amounting to ₹ 2,010.02 millions in their meeting held on 11 November 2022, 08 February 2023 and 08 March 2023 respectively and the aforesaid distribution was paid to eligible unitholders on 19 November 2022, 15 February 2023 and 18 March 2023 respectively. Subsequent to year end 31 March 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023.

36 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act , 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/InvIT/21-22/0019. The Trust alloted units to sponsor on 22 August 2022 pursuant to private placement of units of the Trust, hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31 March 2022 and from the period from 03 December 2021 to 31 March 2022 is not given. Further, the standalone financial information for the period 03 December 2021 to 31 March 2022 and as at 31 March 2022, as reported in these standalone financial statements have been certified by the Investment Manager of the Trust and not been subjected to audit or review.

37 Investment manager fees

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Standalone financial Statement for the year ended 31 March 2023 includes amount of ₹ 2.36 Million (For the period from 03 December 2021 to 31 March 2022, ₹ Nil) toward Investment manager fees paid to Viresecent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the current Investment Manager i.e Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs') in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Standalone financial statement for the year ended 31 March 2023 of ₹ 22.51 Million (03 December to 31 March 2023 includes amount of ₹ Nil million) towards Investment Manager Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.

38 The Trust acquired the following companies (Project SPV's) on 23 August 2022 :

(i) Dewas Bhopal Corridor Private Limited ("DBCPL")
(ii) Nirmal BOT Limited ("NBL")
(iii) Jodhpur Pali Expressway Private Limited ("JPEPL")
(iv) Godhra Expressways Private Limited ("GEPL")
(v) Ulundurpet Expressways Private Limited ("UEPL")
(vi) Shillong Expressway Private Limited ("SEPL")

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

39 During the current year ended 31 March 2023, pursuant to the approval dated 22 November 2022 granted by the Securities and Exchange Board of India ("SEBI") and the approval of the unitholders of the Trust as required under Regulation 9(15) of the InvIT Regulations obtained from the unitholders in the extraordinary general meeting held on 14 November 2022, Highway Concessions One Private Limited ("HC 1") and HC One Project Manager Private Limited ("HC One") was appointed as the new Investment Manager and Project Manager of the Trust respectively in place of Virescent Infrastructure Investment Manager Private Limited ("erstwhile Investment Manager") and Virescent Renewable Energy Project Manager Private Limited ("erstwhile Project Manager of the Trust"). The appointment of the new Investment Manager was also approved by the Board of erstwhile Investment Manager of the Trust vide its circular Resolution dated 19 October 2022. Consequently, Highway Concessions One Private Limited and HC One Project Manager Private Limited have been acting as the new Investment Manager and Project Manager of the Trust effective from 23 November 2022 and 14 November 2022 respectively.

40 During the current year ended 31 March 2023, three of the project SPV's Viz. GEPL, DBCPL and UEPL has filed the petition with the Hon'ble National Company Law Tribunal , Mumbai Bench ('NCLT') for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL,DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's. The final order for approving the capital reduction scheme in DBCPL was received on 27 February 2023 however, final order for approving the capital reduction scheme is awaited in GEPL and UEPL. The necessary impacts on account of capital reduction in DBCPL have been considered in these audited standalone financial statements for the year ended 31 March 2023.

41 Other statutory information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Trust for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust has not advanced or loaned or invested funds to any other person(s) or enitity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: - Directly or indirectly lend or invest in other persons or entties identified in any manner whatsoever ny or on behlaf of the Trust (Unlimate Beneficiaries) or - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iii) The Trust has not received any fund from any person(s) or enitity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall: - Directly or indirectly lend or invest in other persons or entties identified in any manner whatsoever by or on behlaf of the Funding Party (Unlimate Beneficiaries) or - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) The Trust have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended 31 March 2023.

(All amounts in ₹ millions unless otherwise stated)

(v) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Trust does not have any transactions with struck - off companies.

(vii) The Trust has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.

42. The financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on 19 May 2023.

43. All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.

For **Walker Chandiok & Co LLP**	**For and on behalf of Board of Directors of**
Chartered Accountants	Highway Concessions One Private Limited
Firm's Registration No.: 001076N/N500013	(as Investment Manager of Highways Infrastructure Trust)

Manish Agrawal	**Kunjal Shah**	**Narayanan Doraiswamy**	**Neeraj Sanghi**
Partner	Compliance officer	Chief Financial Officer	Whole Time Director and CEO
Membership No.: 507000	Membership No: A27382		DIN:05110400
Place: Mumbai	**Place:** Mumbai	**Place:** Mumbai	**Place:** Mumbai
Date: 19 May 2023	**Date:** 19 May 2023	**Date:** 19 May 2023	**Date:** 19 May 2023

INDEPENDENT AUDITOR'S REPORT

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023.

To the Unitholders' of Highways Infrastructure Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Highways Infrastructure Trust ('the Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended, the Consolidated Statement of Net Assets at Fair Value as at 31 March 2023, the Consolidated Statement of Total Returns at Fair Value and the Consolidated statement of Net Distributable Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, as referred to in paragraph 16 below, the aforesaid consolidated financial statements give the information required the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the Companies Indian Accounting Standards Rules, 2015, as amended and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in unitholder's equity for the year ended on that date, the consolidated net assets at fair value as at 31 March 2023 , the consolidated total returns at fair value and the consolidated net distributable cash flows for the year ended then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SA's) and other pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Acquisition of road assets Refer note 2B(b) for significant accounting policies and refer note 48 to the consolidated financial statements of the Trust for the year ended 31 March 2023. During the current year ended 31 March 2023, the Trust has invested in following special purpose infrastructure project entities ('SPVs') identified by the Board of Directors of the Investment Manager and acquired such entities on 23 August 2022 ('acquisition date') for an equity consideration of ₹ 31,715.33 millions from Galaxy Investments II Pte Limited namely Ulundurpet Expressways Private Limited ("UEPL"), Nirmal BOT Limited ("NBL"), Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL"), Shillong Expressway Private Limited ("SEPL"), Jodhpur Pali Expressway Private Limited ("JPEPL")	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of management's process of business combination accounting and evaluated the design of the Trust's key controls over the accounting of business combination; b) Obtained the executed agreements and contracts relating to the acquisition and identified pertinent terms relevant to the accounting of the transaction in addition to comparing the underlying information inputs such as purchase consideration, net assets acquired etc.;

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023.(Cont'd)

Key audit matter	How our audit addressed the key audit matter
Galaxy Investments II Pte Limited had earlier acquired DBCPL, NBL, JPEPL, GEPL and UEPL on 17 December 2021 and SEPL on 13 January 2022. As defined under Appendix C to Ind AS 103 - Business combinations, 'Business combinations of entities under common control' means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The management has evaluated that the Investment Manager of the Trust is acting on behalf of Sponsor and primary unitholder of the Trust , Galaxy Investments II Pte Limited, while carrying out its responsibilities with respect to the Trust, and thus, the Trust and all the project SPVs have considered to be ultimately controlled by Galaxy Investments II Pte Limited, both before and after the acquisition. Accordingly, the acquisition of the SPVs by the Trust was determined to be a common control business combination accounted for using the 'Pooling of interests' method prescribed under Appendix C to Ind AS 103, according to which the assets, liabilities and reserves of SPVs acquired have been recorded at their respective book values and the difference between the purchase consideration and the aforesaid book value, amounting to ₹ 28,514.38 has been adjusted with the 'Acquisition adjustment deficit account' under Other equity as further described in aforementioned note. Further, the comparative periods presented in the financial statements have been restated as if the acquisition had occurred on 17 December 2021 for DBCPL, NBL, JPEPL, GEPL and UEPL and on 13 January 2022 for SEPL, irrespective of the actual date of the combination which is 23 August 2022. Considering the magnitude of the transaction and management judgement involved, the aforesaid business combination treatment in consolidated financial statements has been considered to be a key audit matter for the current year audit.	c) Obtained the financial statements audited by respective auditors of DBCPL, NBL, JPEPL, GEPL, UEPL as at 17 December 2021 and 23 August 2022 and for SEPL as at 13 January 2022 and 23 August 2022; d) Assessed the appropriateness of the accounting policy adopted by the Investment Manager for the business combination in accordance with Appendix C to Ind AS 103; e) Evaluated management's assessment of accounting for the business combination and computation of restated comparative financial information and determined that it is appropriately accounted for in accordance with 'Pooling of interests' method prescribed under Appendix C to Ind AS 103; and f) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of Appendix C to Ind AS 103.

Key audit matter	How our audit addressed the key audit matter
B. Impairment of intangible assets recognized pursuant to service concession arrangement Refer note 5 to the consolidated financial statements. As at 31 March 2023, the carrying amount of intangible assets of the Group is ₹ 19,353.89 millions relating to licenses to collect toll from road infrastructure projects as an infrastructure concession operator under service concession arrangements accounted for in accordance with Appendix D of Ind AS 115, Service Concession Arrangements. Management regularly reviews whether there are any indicators of impairment and where impairment indicators exist, the management estimates the recoverable amounts of these assets, basis value in use. The value in use of the underlying assets is determined based on the discounted cash flow projections which involves use of key assumptions such as discounting rate, expected change in traffic and toll rates. Such assumptions and estimates require significant management judgment due to high inherent estimation uncertainty. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the future cash flow projections, we have determined this to be a key audit matter for the current year audit.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of the Group's policies and procedures to identify impairment indicators of intangible assets and for determining the fair valuation of intangible assets; b) Evaluated the design of key controls implemented for identification of impairment indicators and fair valuation of intangible assets; c) Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of management's experts involved in the process; d) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); e) Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; f) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; g) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and h) Evaluated the appropriateness of disclosures made in the consolidated financial statements in relation to impairment of licenses to collect toll under service concession arrangements in accordance with requirements of the applicable accounting standards.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023. (Cont'd)

Key audit matter	How our audit addressed the key audit matter
C. Computation and disclosures relating to Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Returns at Fair Value as per SEBI regulations ("the statement") Refer the Statement disclosed in the accompanying consolidated financial statements pursuant to SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions. Considering the importance of the disclosure required under the SEBI Regulations to the users of the consolidated financial statements, significant management judgement involved in determining the fair value of the assets of the Group, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI circulars, pursuant to which the Statements are prepared by the Investment Manager; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; c) Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, experience, independence and competency of the management's experts involved in the process; d) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs). e) Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; f) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; g) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and h) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Key audit matter	How our audit addressed the key audit matter
D. Measurement of operation and maintenance and major maintenance expenses Refer note 2B(iii) of significant accounting policies and note 19 and 25 to the consolidated financial statements. The Group is obligated to carry out operation and maintenance and major maintenance expenditure ("O&M and MM expenses") of the toll roads on periodic basis in accordance with service concession agreements with National Highway Authority of India ('NHAI') / Public Works Department ('PWD')/ Madhya Pradesh Road Development Corporation ('MPRDC'), as applicable. Measurement of major maintenance obligation is a key accounting estimate under both intangible assets model where the Group has a contractual right to charge users of the public service and financial asset model where the Group has a contractual right to receive cash from NHAI. Further, operation and maintenance cost is also a key accounting estimate with respect to financial assets model accounting. The measurement of O&M and MM expenses obligations require detailed workings and includes management estimates of items of cost required for repair and maintenance including but not limited to quantity and cost of building material, labour and other expenses, etc, and the timing of such repairs needed which is dependent upon future usage of the assets. The Group reviews such estimated O&M and MM expense obligations on an annual basis. Considering the high inherent estimation uncertainty in measurement of O&M and MM expense obligations and amounts involved, we have considered this matter as a Key audit matter in the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of the process associated with the estimation of O&M and MM expenses; b) Verified the Group's obligations for such O&M and MM expenses as per terms of service concession agreements; c) Assessed the management's significant judgements / estimates used in evaluation of inputs for the purpose of measurement of O&M and MM expense obligations under financial assets model and/ or intangible assets model as applicable; d) Evaluated the workings, methodology and key assumptions adopted by the management in estimating such O&M and MM expenses in future, including projections of future use of assets, by reviewing terms of the service concession agreements, inputs from management's inhouse technical team, Group's actual cost experience and considering historical accuracy of such assumptions; e) Analysed changes in the estimates of O&M and MM expenses from prior periods and assessed the consistency of these changes with progress of the projects, if any, during the year; and f) Tested the arithmetic accuracy and evaluated the appropriateness of disclosures made in the consolidated financial statements for compliance with applicable accounting standard.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023. (Cont'd)

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Board of Directors of Investment Manager are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Investment Manager and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Board of Directors of the Investment Manager of the Trust. The Investment Manager is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in unit holders' equity, consolidated cash flows, consolidated net assets at fair value, consolidated total returns at fair value and consolidated net distributable cash flows of the Group in accordance with the accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Circulars. The respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Investment Manager of the Trust, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the entities included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023. (Cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances , but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager;
- Conclude on the appropriateness of Board of Director of Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

15. We also performed procedures in accordance with Regulation 13(2)(e) of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended to the extent applicable.

Other Matters

16. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of ₹ 8,909.72 millions and net assets of ₹ 169.44 millions as at 31 March 2023, total revenues of ₹ 2,680.80 millions, and net cash outflows amounting to ₹ 38.64 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Investment Manager and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements of the Trust for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 included as comparative financial information in the accompanying consolidated financial statements have been certified by the Board of Directors of the Investment Manager of the Trust, but have not been subjected to either audit or review.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Independent Auditors report on even date to the unit holders of Highways Infrastructure Trust on the Consolidated Financial Statements for the year ended 31 March 2023. (Cont'd)

Report on Other Legal and Regulatory Requirements

18. Based on our audit and on the consideration of the reports of the other auditors referred to in paragraph 16 on separate financial statements of the subsidiaries and as required by the SEBI Regulations, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss (including Other comprehensive Income) are in agreement with the relevant books of account of the Trust; and

    c) in our opinion, the aforesaid consolidated financial statements comply with Ind AS and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015; as amended

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 23507000BGYERT6831

Place: Mumbai
Date: 19 May 2023

Annexure 1

List of subsidiaries included in the Statement (in addition to Highways Infrastructure Trust)

a. Nirmal BOT Limited
b. Godhra Expressways Private Limited
c. Ulundurpet Expressways Private Limited
d. Jodhpur Pali Expressways Private Limited
e. Dewas Bhopal Corridor Expressways Private Limited
f. Shillong Expressway Private Limited

CONSOLIDATED BALANCE SHEET

(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	100.00	130.04
Capital work-in-progress	4	-	2.39
Intangible assets	5	19,353.89	20,246.56
Financial assets			
Other financial assets	6	541.71	1,387.67
Non-current tax assets (net)	7	83.57	89.40
Other non-current assets	8	6.26	0.28
Total non-current assets		**20,085.43**	**21,856.34**
Current assets			
Financial assets			
Investments	9	648.60	2,152.39
Trade receivables	10	0.16	37.30
Cash and cash equivalents	11	349.11	365.82
Bank balances other than cash and cash equivalents above	12	1,546.58	1,972.62
Other financial assets	13	631.38	936.82
Other current assets	14	55.23	72.90
Total current assets		**3,231.06**	**5,537.85**
Total assets		**23,316.49**	**27,394.19**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	15	41,550.00	-
Other equity	16	(37,168.34)	388.86
Total equity		**4,381.66**	**388.86**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	17	14,541.86	21,260.80

CONSOLIDATED BALANCE SHEET (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Other financial liabilities	18	1,556.83	1,276.93
Provisions	19	281.56	324.84
Deferred tax liabilities (net)	20	1,246.18	849.36
Total non-current liabilities		**17,626.43**	**23,711.93**
Current liabilities			
Financial liabilities			
Borrowings	21	225.00	2,007.63
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	10.18	18.66
(b) Total outstanding dues of creditiors other than micro enterprises and small enterprises	22	377.53	302.14
Other financial liabilities	23	227.12	649.37
Other current liabilities	24	43.11	31.16
Provisions	25	425.46	280.15
Current tax liabilities (net)	26	-	4.29
Total current liabilities		**1,308.4**	**3,293.40**
Total liabilities		**18,934.83**	**27,005.33**
Total equity and liabilities		**23,316.49**	**27,394.19**
Significant accounting policies	2B		

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Income and gains			
Revenue from operations	27	6,152.35	1,876.03
Interest income from bank deposits		121.51	27.67
Profit on sale of assets/investments	27.1	126.04	30.35
Other income	28	31.17	46.04
Total income and gains		**6,431.07**	**1,980.09**
Expenses and losses			
Valuation expenses		2.40	0.85
Audit fees (statutory auditor of Trust)	31.1	17.38	-
Audit fees (auditor of subsidiaries)		5.64	5.21
Insurance expenses		45.66	8.47
Employee benefits expense	29	104.03	27.76
Project management fees	55	53.55	-
Investment manager fees	55	111.61	-
Management support services fee		247.43	51.24
Trustee fees		4.43	0.75
Depreciation on property, plant and equipment	3	26.96	6.03
Amortization of intangible assets	5	1,139.01	282.17
Finance costs			
- Interest on term loan and non convertible debentures		1,743.11	709.16
- Other finance costs	30	447.48	73.60
Rating fee		2.35	0.32
Operation and maintenance		433.39	139.29
Corporate social responsibility		15.16	1.74
Provision for major maintenance obligation		416.39	100.14
Operating expenses	31	365.44	46.69
Independent consultancy and project monitoring fees		69.28	18.11
Legal and professional		152.55	1.76
Other expenses	32	63.34	17.77
Total expenses and losses		**5,466.59**	**1,491.06**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Profit before tax for the year / period		**964.48**	**489.03**
Tax expense			
Current tax	34	225.67	81.95
Deferred tax	34	396.82	(41.30)
Total tax expense		**622.49**	**40.65**
Net Profit after tax for the year / period		**341.99**	**448.38**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains /(losses) on defined benefit obligations		0.90	(0.23)
Income tax relating to these items		-	-
Total other comprehensive income / (loss) for the year /period (net of tax)		**0.90**	**(0.23)**
Total comprehensive income for the year /period (net of tax)		**342.89**	**448.15**
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	35	0.82	*
Diluted (₹)	35	0.82	*
*refer note 35			
Summary of significant accounting policies	2B		

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

CONSOLIDATED CASH FLOW STATEMENT

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
A.	**Cash flows from operating activities**		
	Profit before tax	**964.48**	**489.03**
	Adjustments for:		
	Depreciation on property, plant and equipment	26.96	6.03
	Amortization of intangible assets	1,139.01	282.17
	Gain on sale of property, plant and equipment (net)	(0.02)	(0.65)
	Gain on sale of investments (net)	(123.66)	(29.70)
	(Gain)/loss on investments carried at fair value through profit or loss (net)	(2.36)	6.26
	Excess provisions written back	(9.15)	(1.00)
	Bad debts written back	9.34	-
	Provision for major maintenance obligation	416.39	100.14
	Interest income	(121.51)	(27.67)
	Finance cost		
	Interest on term loan and non convertible debentures	1,684.64	709.16
	Unwinding finance cost on deferred payment to National Highway Authority of India ('NHAI') for purchase of right to charge users of toll road	177.46	42.50
	Unwinding of discount on provisions and financial liabilities carried at amortised cost	110.04	13.18
	Unwinding of discount on provision for major maintainance	51.31	15.87
	Finance and bank charges	162.08	2.05
	Modification loss on financial liability	5.06	-
	Modification loss / (gain) on annuity	298.58	(243.08)
	Modification gain on financial liability	-	(26.03)
	Operating profit before working capital changes and other adjustments	**4,788.65**	**1,338.26**
	Working capital changes and other adjustments:		
	Trade receivables	36.95	9.54
	Other financial assets	621.00	916.58
	Other assets	11.70	16.26
	Trade payables	66.91	222.87
	Provisions	(314.36)	(766.62)
	Financial liabilities	72.32	37.62
	Other liabilities	11.99	19.86
	Cash flow from operating activities post working capital changes	**5,295.16**	**1,794.36**
	Income tax paid (net of refund)	(267.30)	(96.93)
	Net cash flow from operating activities (A)	**5,027.86**	**1,697.43**

CONSOLIDATED CASH FLOW STATEMENT (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
B.	**Cash flows from investing activities**		
	Acquisition of property, plant and equipments	(13.34)	(55.65)
	Proceeds from disposal of property plant and equipment	18.83	8.55
	Investment in compulsarily convertible debentures ('CCD's)	(3,060.00)	-
	Investment in bank deposits	-	(800.99)
	Investment in preference shares	(545.10)	-
	Proceeds from maturity of bank deposits	784.00	-
	Purchase of current investments	-	(170.34)
	Proceeds from maturity of current investments	1,629.82	-
	Interest received on bank deposits and others	-	27.67
	Net cash used in investing activities (B)	**(1,185.79)**	**(990.76)**
C	**Cash flows from financing activities**		
	Proceeds from issuance of units	4,160.00	-
	Repayment of current borrowings	(112.50)	(7,693.51)
	Repayment of non-current borrowings	(14,300.60)	-
	Proceeds from compulsorily convertible debentures	-	7,562.77
	Proceeds from current borrowings	14,469.03	-
	Formation and issue expenses	(111.58)	-
	Processing fees	(118.90)	-
	Finance costs paid	(1,814.23)	(724.39)
	Distribution made to unit-holders	(6,030.00)	-
	Net cash used in financing activities (C)	**(3,858.78)**	**(855.13)**
D	**Net decrease in cash and cash equivalent (A+B+C)**	**(16.71)**	**(148.46)**
E	Cash and cash equivalents acquired under business combinations (refer note 48)	-	514.28
F	Cash and cash equivalent at the beginning of the year	365.82	-
	Cash and cash equivalent at the end of the year/period (D+E+F) (refer note 11)	**349.11**	**365.82**
	Note: The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.		

The accompanying notes form an integral part of the Consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY

(All amounts in ₹ millions unless otherwise stated)

A Unit capital *

Particulars	Number of unit	Amount (in million)
Balance as at 03 December 2021	**-**	**-**
Units issued during the period	-	-
Balance as at 31 March 2022	**-**	**-**
Units issued during the year	415,500,000	41,550.00
Balance as at 31 March 2023	**415,500,000**	**41,550.00**

B Other equity**

Particulars	Units pending isssuance	Equity component of loan to related parties	Reserves and surplus					Total
			Securities premium reserve	Debenture redemption reserve	Capital redemption reserve	Retained earnings	Amalgmation adjustment deficit account	
Balance as at 03 December 2021	**3,200.95**	**-**	**-**	**-**	**-**	**-**	**-**	**3,200.95**
Net profit for the period	-	-	-	-	-	448.38	-	**448.38**
Other comprehensive income for the period								
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	-	(0.23)	-	**(0.23)**
Total comprehensive income for the period	**3,200.95**	**-**	**-**	**-**	**-**	**448.15**	**-**	**3,649.10**
Acquisiton under common control business combinations (refer note 48)	-	384.95	2,874.88	174.91	2.83	(6,697.81)	-	**(3,260.24)**
Balance as at 31 March 2022	**3,200.95**	**384.95**	**2,874.88**	**174.91**	**2.83**	**(6,249.66)**	-	**388.86**
Net profit for the year	-	-	-	-	-	341.99	-	341.99
Other comprehensive income for the year								
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	-	0.90	-	0.90
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**342.89**	-	**342.89**
Transfer from units pending issuance to acquisition adjustment account pursuant to common control business combinations (refer note 48)	(3,200.95)	-	-	-	-	-	3,200.95	-
Amount paid to sponsor pursuant to business combinations (refer note 48(c))	-	-	-	-	-	-	(31,715.33)	(31,715.33)

CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Particulars	Units pending isssuance	Equity component of loan to related parties	Reserves and surplus					Total
			Securities premium reserve	Debenture redemption reserve	Capital redemption reserve	Retained earnings	Amalgmation adjustment deficit account	
Formation and issue expenses^^	-	-	-	-	-	(111.58)	-	(111.58)
Transfer from security premium to retained earnings pursuant to capital reduction in DBCPL (refer note 54)	-	-	(600.09)	-	-	600.09	-	-
Transaction cost relating to buy back of preferance shares of SEPL	-	-	-	-	-	(43.18)	-	(43.18)
Transfer from debenture redemption reserve in NBL and DBCPL	-	-	-	(174.91)	-	174.91	-	-
Distributions to unit holders ^	-	-	-	-	-	(6,030)	-	(6,030)
Balance as at 31 March 2023	**-**	**384.95**	**2,274.79**	**-**	**2.83**	**(11,316.54)**	**(28,514.38)**	**(37,168.34)**

^Pertains to the distribution made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distribution made by Trust to its unitholders are based on Net Distributable Cash Flows (NDCF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

^^ Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust .

* refer note 15.

** refer note 16.

The accompanying notes form an integral part of the Consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023.

(All amounts in ₹ millions unless otherwise stated)

A. Consolidated Statement of net assets at fair value

Particulars	As at 31 March 2023		As at 31 March 2022	
	Book value	Fair value #	Book value	Fair value #
A. Assets	23,316.49	57,872.75	27,394.19	53,889.16
B. Liabilities (at book value)	18,934.83	18,934.83	27,005.33	27,005.33
C. Net assets (A-B)	4,381.66	38,937.92	**388.86**	**26,883.83**
D. No of units (in millions)	415.50	415.50	*	*
E. NAV (C/D)	10.55	93.71	*	*

* In the previous year ended 31 March 2022, the number of units were not ascertainable considering the Trust was in the process of issuing its units in connection with private placement. Accordingly, disclosure in respect of Net Asset Value ("NAV") per unit has not been given for the previous year.

Fair values of total assets relating to the Trust as at 31 March 2023 and 31 March 2022 as disclosed above are primarily based on the fair valuation report of the independent valuer appointed appointed by the trust.

Project wise break up of fair value of assets as at 31 March 2023:

Projects	Fair value** As at 31 March 2023	Fair value** As at 31 March 2022
Highways Infrastructure Trust	1,039.02	-
Shillong Expressways Private Limited (SEPL)##	516.26	1,519.49
Ulunderpret Expressways Private Limited (UEPL)##	5,491.57	7,009.33
Dewas Bhopal Corridor Private Limited (DBCPL)##	15,564.28	16,194.45
Godhra Expressways Private Limited (GEPL)##	25,630.72	19,579.95
Nirmal BOT Limited (NBL)##	1,136.37	1,951.16
Jodhpur Pali Expressways Private Limited (JPEPL)##	8,494.53	7,634.78
Total Assets	**57,872.75**	**53,889.16**

**Fair values of assets as disclosed above are the fair values of the total assets of the Group which are included in the Consolidated Financial Statements.

##The Trust has acquired these projects with effect from 23 August 2022. (refer note 48)

B. Statement of consolidated total return at fair value:

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Total comprehensive income for the year/period (As per the Consolidated Statement of Profit and Loss)	342.89	448.15
Add: Other changes in fair value for the year (refer note 1 and 2)	3,983.59	(534.89)
Total return	**4,326.48**	**(86.74)**

Note 1:

In the above statement, other changes in fair value for the financial year ended 31 March 2023 note 1 has been computed based on the difference in fair values of total assets as at 31 March 2023 and as at 31 March 2022 which is based solely on the valuation report of the independent valuer appointed appointed by the trust.

Note 2:

In the above statement, other changes in fair value for the financial year ended 31 March 2022 has been computed based on the difference in fair values of total assets as at 03 December 2021 (certified by investment manager of Trust and are not subject to audit or review) and as at 31 March 2022 (based solely on the valuation report of the independent valuer appointed appointed by the trust).

The accompanying notes form an integral part of the Consolidated financial statements.

This is the Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Return at Fair Value referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 (Contd.)

(All amounts in ₹ millions unless otherwise stated)

Statement of Net Distributable Cash Flows for the year ended 31 March 2023

(i) Highways Infrastructure Trust

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Net Distributable Cash Flows of the Project Entities**		-
	a) in the form of interest / accrued interest / additional interest	2,078.10	
	b) in the form of dividend	1,893.32	-
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	3,264.77	-
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	294.45	
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	18,629.03	-
3	Any other income accruing at the Highways Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Highways Trust	42.75	-
	Total cash inflow at the InvIT level (A)	**26,202.42**	
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(889.75)	-
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(116.10)	-
6	Income tax (if applicable) for standalone Highways Trust and / or payment of other statutory dues	(18.27)	-
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	-
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(976.43)	-
9	Amount invested in any of the Project SPVs for service of debt or interest	(17,211.84)	-
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	(146.33)	-
	Total adjustments at the Trust level (B)	**(19,471.22)**	**-**
	Net Distributable cash flows (C)=(A+B)	**6,731.2**	**-**

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

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Profit after tax as per Statement of Profit and Loss (A)**	**1,020.54**	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	203.45	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	173.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.05	-
	▪ deferred tax, lease rents, provisions, etc.	(177.84)	-
	▪ any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	42.22	-
5	Decrease in working capital	(15.74)	-
6	Gain on sale of investments	(45.53)	-
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	2,814.94	-
8	Capital expenditure, if any	(1.25)	-
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raisedby refinancing of existing debt	(2,853.41)	-
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	944.47	-
	Total adjustments at the Trust level (B)	**1,084.78**	**-**
	Net Distributable cash flows (C)=(A+B)	**2,105.32**	**-**

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 (Contd.)

(All amounts in ₹ millions unless otherwise stated)

(iii) Nirmal BOT Limited

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(243.95)**	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	126.47	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	1.97	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.92)	-
	▪ deferred tax, lease rents, provisions, etc.	(11.75)	-
5	Decrease in working capital	(18.92)	-
6	Gain on sale of investments	(5.22)	-
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	389.41	-
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	1,158.30	-
9	Capital expenditure, if any	(0.51)	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raisedby refinancing of existing debt	(1,249.10)	-
11	Payment of any other liabilities (not covered under working capital)	(5.18)	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	518.45	-
	Total adjustments at the Trust level (B)	**903.00**	-
	Net Distributable cash flows (C)=(A+B)	**659.05**	-

(iv) Jodhpur Pali Expressway Private Limited

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(527.30)**	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	479.63	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	65.45	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.87	-
	▪ deferred tax, lease rents, provisions, etc.	103.67	-
	▪ any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	81.48	-
5	Decrease in working capital	(184.18)	-
6	Gain on sale of investments	(8.19)	-
7	Capital expenditure, if any	(7.70)	-
8	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(1,254.35)	-
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	1,506.19	
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	120.01	-
	Total adjustments at the Trust level (B)	**902.87**	-
	Net Distributable cash flows (C)=(A+B)	**375.58**	-

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 (Contd.)

(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Loss after tax as per Statement of Profit and Loss (A)**	(630.19)	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	998.96	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	113.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.39	-
	▪ deferred tax, lease rents, provisions, etc.	429.25	-
	▪ any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	177.42	-
5	Decrease in working capital	(19.96)	-
6	Gain on sale of investments	(28.02)	-
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	4,059.40	-
8	Capital expenditure, if any	(122.55)	-
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raisedby refinancing of existing debt	(4,100.76)	-
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	850.64	-
	Total adjustments at the Trust level (B)	**2,358.19**	-
	Net Distributable cash flows (C)=(A+B)	**1,728.00**	-

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Loss after tax as per Statement of Profit and Loss (A)**	(9.33)	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	218.10	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	811.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.09	
	▪ deferred tax, lease rents, provisions, etc.	(2.45)	-
	▪ any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	323.37	-
5	Increase in working capital	43.35	-
6	Gain on sale of investments	(39.65)	-
7	Net proceeds (after applicable taxes) from sale of assets / investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently.	17.43	-
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	2,699.29	-
9	Capital expenditure, if any	(1.83)	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raisedby refinancing of existing debt	(2,840.24)	-
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	1,046.15	-
	Total adjustments at the Trust level (B)	**2,275.03**	**-**
	Net Distributable cash flows (C)=(A+B)	**2,265.70**	**-**

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 (Contd.)

(All amounts in ₹ millions unless otherwise stated)

(vi) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	**Loss after tax as per Statement of Profit and Loss (A)**	(82.03)	-
	Adjustments:		
2	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	0.29	-
3	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	▪ any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.12	-
	▪ deferred tax, lease rents, provisions, etc.	(47.21)	-
	▪ any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	26.66	-
4	Decrease in working capital	(36.92)	-
5	Gain on sale of investments	(9.11)	-
6	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	497.40	-
7	Capital expenditure, if any	(0.06)	-
8	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raisedby refinancing of existing debt	(702.33)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	750.16	-
	Total adjustments at the Trust level (B)	**479.01**	-
	Net Distributable cash flows (C)=(A+B)	**396.98**	-

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Statement of Net Distributable Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

(All amounts in ₹ millions unless otherwise stated)

1. Group Information

The consolidated financial statements comprise financial statements of Highways Infrastructure Trust ("the Trust") and its subsidiaries (collectively, the Group) for the year ended 31 March 2023. The Trust is an irrevocable trust settled by Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager Private Limited till 22 November 2023 and with effect from 23 November 2023 the same is Highway Concessions One Private Limited (the "Investment Manager")

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/Project SPVs/ subsidiaries").

During the current year ended 31 March 2023, the Trust acquired 100% equity control in following Project SPVs from the Sponsor w.e.f. 23 August 2022. The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at 31 March 2023	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal Bot Limited ("NBL")	100%	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is Unit no.316-317,3rd Floor, C Wing, Kanakia Zillion BKC Annex, Kurla West, Mumbai, MH -400070. The consolidated financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 19 May 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

2A. Standards issued but not yet effective

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information. The Trust is evaluating the requirement of the said amendment and it's impact on these consolidated financial statements.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques. The Trust is evaluating the requirement of the said amendment and it's impact on these consolidated financial statements.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities. The Trust is evaluating the requirement of the said amendment and it's impact on these consolidated financial statements

2B. Summary of significant accounting policies

a) **Overall consideration**

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

(All amounts in ₹ millions unless otherwise stated)

i) **Basis of preparation and presentation**

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars')

The Consolidated financial statements are presented in India Rupees which is also the functional currency of the Group and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00

These Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The Consolidated Financial Statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on 19 May 2023. The revision to the consolidated financial statements is permitted by the Board of Directors of Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013 ('the Act").

ii) **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2023. Control is achieved when the Group has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

iii) **Use of estimates and judgements**

The preparation of consolidated financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

- **Revenue recognition - Applicability of service concession agreement accounting**

  Appendix C "Service concession arrangements" applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

(All amounts in ₹ millions unless otherwise stated)

More specifically, it applies to public to private service concession arrangement if the grantor:

- Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
- Controls through ownership or otherwise –any significant residual interest in the infrastructure at the end of the term of the arrangement.

The subsidiary – Shillong Expressway Private Limited ("SEPL") and Nirmal Bot Limited ("NBL") have the right to receive fixed annuity payments from NHAI during the concession period and have adopted 'Financial Asset Model.'

Accounting under "Financial Asset Model" involves extensive use of estimates. The Group has allocated the contract revenues into distinct individual performance obligations i.e. Construction, operation and maintenance based on their relative stand-alone selling prices which are derived by as per amount estimated by the Management of Subsidiary on actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a "Financial asset" at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

- **Provisions and liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

- **Provision for major maintenance obligation**

The operating and maintenance cost includes routine, periodic/major maintenance, manpower costs and operational expenses, including, but not limited to, road and site work expenses, employee benefit expenses and other operating and maintenance costs. The provision for potential periodic / major maintenance cost is created based on the estimates provided by the management and the same is adjusted for actual expenditures in the year of occurrence.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

- **Useful lives of depreciable/amortizable assets**

  Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

- **Defined benefit obligations (DBO)**

  Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Recognition of deferred tax assets**

  The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

- **Recoverability of advances / receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

- **Contingent liabilities**

  The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

(All amounts in ₹ millions unless otherwise stated)

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of intangible assets are disclosed in the notes to consolidated financial statements.

- **Impairment of annuity and intangible assets**

  Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the annuity and intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

- **Income taxes**

  The Groups tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

- **Fair valuation and disclosures**

  SEBI Circular issued under the SEBI Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Weighted average cost of capital ('WACC'), tax rates, inflation rates etc. Changes in assumptions about these factors could affect the fair value.

b) Business combination (refer note 48)

During the current year ended 31 March 2023, the Trust acquired the SPVs pursuant to common control method of business combination. Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to Amalgamation Adjustment Deficit Account.

c) Basis of classification as current and non-current

The Group presents assets and liabilities in the Consolidated balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

(All amounts in ₹ millions unless otherwise stated)

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d) Revenue recognition

Effective 01 April 2018, the Project SPV Group adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the Project SPV Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

The specific recognition criteria described below must also be met before revenue is recognized.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Toll Collections

Toll collections from the users of the infrastructure facility constructed by the Group under the Service Concession Arrangement is accounted for based on actual collection. Revenue from electronic toll collection is recognized on accrual basis.

Claims with National Highways Authority of India ('NHAI')

Claims with National Highways Authority of India ('NHAI') and other Government Authorities are accounted as revenue as and when it becomes probable that such claims will be received and which can be measured reliably.

Contract revenue (Construction contracts)

Contract revenue associated with the construction of road is recognized at cost of work performed on the contract plus proportionate margin, where required, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the statement of profit or loss in the period in which the change is made and in subsequent periods.

Contract cost include costs that relate directly to the specific contract and allocated cost that are attributable to the Construction of the road.

Rendering of services

Revenue from major maintenance obligation and regular operation and maintenance is measured using the percentage of completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognized net of taxes.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

(All amounts in ₹ millions unless otherwise stated)

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

e) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Group and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and recognize when the Group will pay normal income tax during the specified period. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

f) Property, plant and equipment (PPE)

Property, plant and equipment and capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation on PPE held by UEPL, SEPL, JPEPL, GEPL and NBL is calculated on a straight-line basis over the estimated useful lives of the respective assets as prescribed in the Schedule II of the Act

(All amounts in ₹ millions unless otherwise stated)

Depreciation on PPE held by DBCPL is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 ("the Act").

The Group has estimated the following useful lives for its tangible fixed assets:

Assets class	Useful life
Building	25 years
Plant and equipment	7 year - 15 years
Furniture & fixtures	8 year - 10 years
Vehicles	8 year - 10 years
Office equipments	3 year - 10 years
Computers	3 year - 5 years

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from the date on which asset is ready for use and up to the date on which the asset is disposed of/fully depreciated.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

On transition to Ind AS, the Project SPV Group exercised first time adoption under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the Special Purpose Combined Financial Statements as at the date of transition (i.e. 01 April 2015 for all SPVs other than DBCPL and 01 April 2018 for DBCPL) measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Accounting of intangible assets under Service Concession agreement

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project undertaken by the Group. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India authorities, if any. Till the completion of the project, the same is recognized under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets. Intangible assets that not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development.

Other intangible assets

Other intangible assets comprise of cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are derecognized when no future economic benefits are expected from use or disposal.

Amortization of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortization is provided based on proportion of actual revenue to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

(All amounts in ₹ millions unless otherwise stated)

Toll collection rights in respect of road projects commissioned after 1 April 2016 are amortized over the useful economic life using the straight-line method. The amortization period and the amortization method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense is recognised in the statement of profit and loss.

Specialized software held by the Group is amortized over a period of six years on straight line basis from the month in which the addition is made.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

h) Financial asset under Service Concession Agreement

Under the arrangement, the SPV recognizes a financial asset arising from service concession agreement as it has an unconditional right to receive cash from grantor (NHAI/State authorities) for the construction service, major maintenance obligations and regular operation and maintenance services over the concession period. Such financial asset is measured at fair value on initial recognition and classified under the head "Other Financial Assets". Subsequent to initial recognition, the financial asset is measured at amortized cost. Under this model, the financial asset will be reduced as and when grant is received from Grantor (NHAI/State authorities).

As per the salient feature of the arrangement, the operator has a two-fold activity based on which revenue is recognized in the financial statements in line with the requirement of Appendix C of Ind AS 115. The activities are given below:

a. a construction activity in respect of its obligation to design, build, finance an asset that it makes available to the Grantor (NHAI)

b. Revenue from major maintenance obligation and operation and maintenance activity in respect of the assets during the concession period in accordance with Ind AS 115.

i) Lease

Where the Group is the lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration'. To assess whether a contract conveys the right to

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate.

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

The liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Contingent rents are recognized as revenue in the period in which they are earned.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease.

j) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized.

l) Cash support (grant) from grantor

Grant received are considered as a part of total outlay of the construction project. The same shall be recognised when the Group complies with the conditions attaching to collection of grant considered as a financial asset and it shall be simultaneously reduced from the cost of acquisition of the intangible asset and are recognised.

m) Financial Instruments

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

(All amounts in ₹ millions unless otherwise stated)

ii. Financial assets at fair value

- Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 40 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

External valuers are involved for valuation of significant assets such as annuity and intangible assets, where required. Involvement of external valuers is decided by the Group on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Group after discussion with the external valuers, which valuation techniques and inputs to use for each case.

(All amounts in ₹ millions unless otherwise stated)

At each reporting date, the Group analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 40)
- Investment in quoted mutual fund (note 9)
- Financial instruments (including those carried at amortized cost) (note 41).

o) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables:

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

p) Segment reporting

The Group is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Group's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

(All amounts in ₹ millions unless otherwise stated)

q) Employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

The Group makes contribution towards employee state insurance scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948. The contributions deposited with authorities are recognized as on expense during the year.

r) Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

t) Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

u) Classification of Unitholders' fund

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Circulars (No. CIR/IMD/DF/1 14/2016 dated 20 October 2016 and No. CIR/IMDDF/127/2016 dated 29 November 2016) issued under the SEBI Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

v) Cash flow statement

Cash flows are reported using indirect method, whereby net profits / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

w) Distribution to unit holders

The Group recognizes a liability to make cash distributions to unit holders when the distribution is authorized and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorized when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognized directly in equity.

x) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

3. Property, plant and equipment (PPE)

	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	100.00	130.04
	100.00	**130.04**

The changes in the carrying value of property, plant and equipment for the year /period ended 31 March 2023 and 31 March 2022 are as follows :

Description	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block								
Balance as at 03 December 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Acquisition under common control business combinations (refer note 48)	4.37	13.11	58.77	7.99	31.47	29.44	12.42	40.28
Additions for the period	-	1.85	8.59	0.59	-	27.58	1.65	40.28
Transfer from capital work-in-progress for the period	-	-	15.37	-	-	-	-	15.37
Disposals/adjustments for the period	-	-	9.40	(0.03)	(0.02)	(0.55)	(0.24)	8.55
Balance as at 31 March 2022	**4.37**	**14.97**	**92.13**	**8.55**	**31.44**	**56.46**	**13.85**	**221.77**
Additions for the year	-	4.32	5.02	0.21	0.48	1.93	1.37	13.34
Transfer from capital work-in-progress during the year	-	2.39	-	-	-	-	-	2.39
Disposals/adjustments for the year	-	(0.19)	(3.07)	(1.04)	(2.43)	(21.75)	(0.08)	(28.56)
Balance as at 31 March 2023	**4.37**	**21.49**	**94.08**	**7.72**	**29.50**	**36.65**	**15.13**	**208.93**
Accumulated depreciation								
Balance as at 03 December 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Acquisition under common control business combinations (refer note 48)	-	2.02	38.91	3.40	16.41	16.82	8.76	86.31
Charge for the period	-	0.20	2.30	0.15	1.05	1.68	0.65	6.03
Disposals/adjustments for the period	-	-	-	(0.03)		(0.37)	(0.21)	(0.61)
Balance as at 31 March 2022	**-**	**2.22**	**41.22**	**3.51**	**17.46**	**18.13**	**9.19**	**91.73**
Charge for the year	-	0.88	14.43	0.46	3.12	5.86	2.22	26.96
Disposals/adjustments for the year	-	(0.09)	(2.18)	(0.94)	(2.31)	(4.15)	(0.08)	(9.75)
Balance as at 31 March 2023	**-**	**3.01**	**53.46**	**3.02**	**18.27**	**19.84**	**11.33**	**108.93**
Net block at date of acquisition	**4.37**	**11.09**	**19.86**	**4.59**	**15.06**	**12.62**	**3.66**	**71.26**
Net block as at 31 March 2022	**4.37**	**12.75**	**50.92**	**5.04**	**13.99**	**38.33**	**4.65**	**130.04**
Net block as at 31 March 2023	**4.37**	**18.48**	**40.62**	**4.69**	**11.23**	**16.81**	**3.81**	**100.00**

Notes:

(i) Contractual obligations :

Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 33.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

4. Capital work-in-progress

	As at 31 March 2023	As at 31 March 2022
Capital work in progress	-	2.39
	-	**2.39**

The changes in the carrying value of capital work-in-progress for year/period ended 31 March 2023 and 31 March 2022 are as follows:

Particulars	Amount
Balance as at 03 December 2021	**-**
Acquisition under common control business combinations (refer note 48)	15.37
Add: Additions for the period	2.39
Less: transfer to property, plant and equipment for the period (refer note 3)	(15.37)
Capital work-in-progress as at 31 March 2022	**2.39**
Add: additions during the year	-
Less: transfer to property, plant and equipment during the year (refer note 3)	(2.39)
Capital work-in-progress as at 31 March 2023	**-**

Ageing schedule of capital work-in-progress

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2.39	-	-	-	2.39

Note:

(i) Contractual obligations :

Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 33.

(All amounts in ₹ millions unless otherwise stated)

5. Intangible assets

	As at 31 March 2023	As at 31 March 2022
Intangible assets	19,353.89	20,246.56
	19,353.89	**20,246.56**

The changes in the carying value of intangible assets for the year/period ended 31 March 2023 and 31 March 2022 are as follows:

Description	Toll collection rights	Software	Total intangible assets
Gross block			
Balance as at 03 December 2021	**-**	**-**	**-**
Acquisition under common control business combinations (refer note 48)	**28,712.09**	**13.68**	**28,725.77**
Additions for the period	-	-	-
Disposals/adjustments for the period	-	-	-
Balance as at 31 March 2022	**28,712.09**	**13.68**	**28,725.77**
Additions for the year	246.37	-	246.37
Disposals/adjustments for the year	-	(0.02)	(0.02)
Balance as at 31 March 2023	**28,958.46**	**13.66**	**28,972.12**
Accumulated amortisation			
Balance as at 03 December 2021	**-**	**-**	**-**
Acquisition under common control business combinations (refer note 48)	**8,191.35**	**5.70**	**8,197.06**
Charge for the period	281.75	0.42	282.17
Balance as at 31 March 2022	**8,473.10**	**6.13**	**8,479.22**
Charge for the year	1,137.61	1.40	1,139.01
Balance as at 31 March 2023	**9,610.71**	**7.53**	**9,618.22**
Net block at date of acquisition	**20,520.73**	**7.98**	**20,528.70**
Net block as at 31 March 2022	**20,239.00**	**7.55**	**20,246.56**
Net block as at 31 March 2023	**19,347.75**	**6.14**	**19,353.89**

Notes:

(i) Contractual obligations:

Refer note 37 for disclosure of capital and other commitments for the acquisition of intangible assets.

(ii) For assets pledged as security, refer note 33.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

6 Others non-current financial assets

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Security deposits	5.14	4.79
Receivables under service concession arrangements (refer note 6 (ii) below)	536.57	1,024.92
Bank deposits with more than 12 months maturity*	-	357.96
	541.71	**1,387.67**

** includes interest accrued but not due*

Notes:

(i) **Movement in receivables under service concession arrangements during the financial year :**

	As at 31 March 2023	As at 31 March 2022
Opening balance	1,944.23	-
Acquisition under common control business combinations (refer note 48)	-	1,832.94
Add: Interest income on annuity receivable from National Highway Authority of India ('NHAI') (refer note 27)	183.75	55.54
Add: Revenue from operations and maintenance of road (refer note 27)	280.23	61.37
Less: Modification (loss) /gain on annuity	(298.58)	243.08
Less: Annuity received from NHAI	(973.37)	(248.70)
Closing balance	**1,136.26**	**1,944.23**

(ii) **Movement in receivables under service concession arrangements during the financial year :**

	As at 31 March 2023	As at 31 March 2022
- Non-current (refer note 6)	536.57	1,024.92
- Current (refer note 13)	599.69	919.31
	1,136.26	**1,944.23**

(iii) Refer note 40 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and refer note 41 - Financial risk management for assessment of expected credit losses.

(iv) For assets pledged as security, refer note 33.

(All amounts in ₹ millions unless otherwise stated)

7 Non-current tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provisions)	83.57	89.40
	83.57	**89.40**

8 Other non-current assets

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good)		
Other- fair value of plan assets	1.08	0.28
Balances with statutory authorities*	5.18	-
	6.26	**0.28**

*includes deposit paid under protest with statutory authority

9 Investments

	As at 31 March 2023	As at 31 March 2022
Current		
Investment in mutual funds - quoted (fully paid)^	648.60	2,152.39
	648.60	**2,152.39**
Notes:		
Aggregate amount of quoted investments- at market value	648.60	2,152.39
Aggregate amount of quoted investments- at cost	651.64	2,102.25
For assets pledged as security, refer note 33.		

^ These are measured at fair value through profit and loss ('FVTPL')

*Amount of ₹ 6.4 million and ₹ 2.5 millions invested in mutual fund on 28 March 2023 and 29 March 2023 respectively, however units were allotted on 02 April 2023.

(a) **Details of investment in mutual funds- quoted (fully paid)**

	As at 31 March 2023	As at 31 March 2022
IDFC Overnight Fund Direct Plan - Growth- 52,739.30 units as at 31 March 2023 (31 March 2022: 1,898,422 units;)	63.06	2,152.39
Bandhan Overnight Fund Direct Plan-Growth (erstwhile IDFC Overnight Fund Direct Plan Growth) - 489735.11 units as at 31 March 2023 (31 March 2022 : NIL) (erstwhile IDFC Overnight Fund Direct PlanGrowth)	585.54	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

10 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good- unsecured	0.16	37.30
Total	**0.16**	**37.30**

Notes:

(i) For assets pledged as security, refer note 33

(ii) Refer note 41 - Financial risk management for assessment of expected credit losses

(iii) The carrying value are considered to be a reasonable approximation of fair value

Trade receivable ageing schedule

As at 31 March 2023	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	0.16	-	-	-	0.16
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-
Total	0.16	-	-	-	0.16

As at 31 March 2022	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	9.80	4.66	-	22.84	37.30
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-
Total	9.80	4.66	-	22.84	37.30

(All amounts in ₹ millions unless otherwise stated)

11 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- in current accounts	63.01	52.89
- deposits with original maturity less than three months*	282.35	308.92
Cash on hand	3.75	4.01
	349.11	**365.82**

** Includes interest accrued but not due*

Notes:

(i) For assets pledged as security, refer note 33.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting year.

12 Bank balances other than cash and cash equivalents above

	As at 31 March 2023	As at 31 March 2022
Fixed deposit with bank		
Deposits with original maturity more than three months but less than twelve months*#	1,546.58	1,972.62
	1,546.58	**1,972.62**

** Includes interest accrued but not due*

Includes deposits pledged against Major maintenance reserve (MMR) and debt service reserve account (DSRA)

Notes:

(i) For assets pledged as security, refer note 33.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the respective reporting periods.

13 Others current financial assets

	As at 31 March 2023	As at 31 March 2022
(Unsecured, Considered good unless otherwise stated)		
Receivables under service concession arrangements (refer note 6 (ii) above)	599.69	919.31
Other receivables	31.69	17.51
	631.38	**936.82**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

14 Other current assets

	As at 31 March 2023	As at 31 March 2022
(Unsecured, considered good')		
Supplier advances	4.31	1.80
Balances with statutory authorities	14.39	22.46
Other- fair value of plan assets	0.29	0.33
Prepaid expenses	36.24	48.09
Other receivables	-	0.22
	55.23	**72.90**

15 Equity

	As at 31 March 2023	As at 31 March 2022
a) Unit capital		
415,500,000 (31 March 2022: Nil) of ₹100 each	41,550.00	-
	41,550.00	**-**

(i) Terms/rights attached to unit capital :

Subject to the provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended)('SEBI Regulations'), the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust')

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders

e) Right to receive periodic information-the Investment Manager, on behalf of the Highways Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the SEBI Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the SEBI Regulations and such other requirements as may be specified by SEBI.

(All amounts in ₹ millions unless otherwise stated)

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations

g) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholder.

h) No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

i) In terms of the SEBI Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholder Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Infrastructure Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement;

(ii) Reconciliation of units outstanding at the beginning and at the end of the year :

	As on 31 March 2023		As on 31 March 2022	
	No. of units	(₹ in million)	No. of units	(₹ in million)
Unit capital of ₹ 100 each fully paid up				
Balance at the beginning of the year /period	-	-	-	-
Add: units issued during the year /period	415,500,000	41,550.00	-	-
Balance at the end of the year	**415,500,000**	**41,550.00**	**-**	**-**

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date:

	As on 31 March 2023		As on 31 March 2022	
	No. of units	% of holding	No. of units	% of holding
Galaxy Investments II Pte. Ltd.	373,900,000	89.99%	-	-
2452991 Ontario Limited	31,200,000	7.51%	-	-

(iv) There were no units issued pursuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issue and/or bought back since the date of incorporation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

16 Other equity

	As at 31 March 2023	As at 31 March 2022
Units pending issuance	-	3,200.95
Equity component of loan to related parties	384.95	384.95
Securities premium reserve	2,274.79	2,874.88
Debenture redemption reserve	-	174.91
Capital redemption reserve	2.83	2.83
Retained earnings	(11,316.53)	(6,249.66)
Amalgmation adjustment deficit account	(28,514.38)	-
	(37,168.34)	**388.86**

Description of nature and purpose of each reserve:

Units pending issuance

Units pending issuance represents net assets acquired assuming common control is established from the date of earlier acquisition of the SPVs by the Sponsor i.e. 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" and 13 January 2022 for "SEPL. Subsequently, 'Units pending issuance' credited as at 31 March 2022 have been further adjusted against difference of net assets and purchase consideration calculated as at 23 August 2022 i.e. when Trust acquired the SPVs.

Equity component of loan

This includes the equity component of the long term loan taken from GMR Highway Limited and India Infrastructure Fund (erstwhile promoter of UEPL). In earlier year, the equity component represents the interest-free feature of the loan. The liability component is reflected in non-current borrowings. (refer note 17)

Security premium reserve

Securities premium reserve represents premium received on issue of shares.These reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Debenture redemption reserve

Debenture redemption reserve is created out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Capital redemption reserve

Capital redemption reserve has been created as a result of transfer of the nominal value of shares upon buyback of shares, in accordance with Section 69 of the Companies Act, 2013.

(All amounts in ₹ millions unless otherwise stated)

Amalgmation adjustment deficit account

Amalgamation adjustment deficit account has been created as a result of Excess of purchase consideration paid over net assets of project SPVs acquired on 23 August 2022 (Refer Note 48)

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

17 Non current borrowings*

	As at 31 March 2023	As at 31 March 2022
Secured		
Rupee term loan from banks	7,673.13	1,720.97
Term loan from financial institutions	-	2,753.37
Non-convertible debentures	6,351.05	8,337.70
Unsecured		
Loan from GMR Highways Limited	517.68	470.62
Compulsory convertible debentures (CCD's)	-	7,978.14
Total Non-current borrowings (excluding current maturities) (A)	**14,541.86**	**21,260.80**
Current maturities of long-term borrowings (refer note 21)		
- Unsecured liability component of compound financial instruments	-	519.08
- Rupee term loans from banks	160.00	324.21
- Term loans from financial institutions	-	422.72
- Non-convertible debentures	65.00	741.62
Total current borrowings (B)	**225.00**	**2,007.63**
Total borrowing (A+B)	**14,766.86**	**23,268.43**

*refer note 17(ii) for repayment terms and security details of the outstanding non-current borrowings (including current maturities)

*refer note 21(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

(i) Refer note 40- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 41-Financial risk management for assessment of expected credit lossess

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(ii) Notes:

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
1	Rupee term loans from banks (secured)	Highways Infrastructure Trust	7,833.13	-	**Rate of Interest and Repayment Terms** 'Rupee term loan from banks of ₹ 7,833.13 millions (31 March 2022: Nil) which carries weighted average interest rate of @ 7.94% p.a. (31 March 2022: Nil) linked to 1 year MCLR of respective banks plus spread, the interest rate will reset on an annual basis. The said loan is repayable in 55 structured quaterly installments starting from 30 September 2022 and ending on 31 March 2036. **The Rupee Loan is secured by way of :** a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: (a) all receivables of the Issuer from the HoldCos and SPVs; (b) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (c) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (d) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/ or insurances (in each instance, if any) of the Issuer; and (e) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets,including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer. c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs. d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, asapplicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan. f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities"); g) undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee . h) unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee")
2	Rupee term loans from banks (secured)	Shillong Expressway Private Limited	-	701.68	**Rate of Interest and Repayment Terms:** Indian rupee term loans from Bank as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 701.68 millions); which carries average interest rate of Nil (31 March 2022 - 7.6%,). Loan is repayable in percentage of facility at semi annually instalments. **The Rupee term loan is secured by way of :** pari passu first charge by way of hypothecation of entire movable assets of the Project SPV, both present and future, including movable plant & machinery, machinery spares, tools and accessories, furniture ,fixture, vehicles and all other movable assets, both present and future except project asset (as defined under concession agreement). First charge over all accounts of Project SPV including ESCROW account and Sub-Accounts but not limited to Major Maintenance reserve, Debt Service Reserve account and any other reserve and other bank accounts of the Project SPV wherever maintained that may be opened in accordance with the financing documents and all funds from time to time deposited therein. First Charge on all intangibles assets including but not limited to goodwill,

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
					rights, undertaking and uncalled capital present and future excluding the project assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the concession agreement and relevant clauses of the Escrow Agreement.) Further, a charge on uncalled capital, as set in above, shall be subject however to the provision of the concession agreement. A first charge on assignment by way of Security in : (i) all the right, title, interest, benefits, claims, and demands whatsoever of the Project SPV in the project documents ; (ii) the right, title and interest of the Project SPV in, to and under all the government approvals; (iii) all the right, title, interest, benefits, claims and demands whatsoever of the Project SPV in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the project documents; (iv) all the right, title, interest, benefits, claims, and demands whatsoever of the Project SPV under all insurance contracts. Shares are required to pledged as a security for this. Previously, the shares of the Project SPV was pledged to the Lender (Axis Bank). pursuant to the transfer, the Project SPV is under the process of pledging the shares again and is waiting for RBI approval on FC-GPR filing First pari-passu charge on Pledge of 30% each of equity shares and preference shares and Non Disposal Undertaking of 21% each of equity shares and preference shares of the Project SPV held by the sponsor in dematerialized form aggregating to 51% each of the total paid up equity share capital and preferences shares of the Project SPV. Provided that any enforcement of pledge over the shares shall be subject to the applicable provisions of the concession agreement and the prior written approval of NHAI as provided therein. The shares to be pledged shall be free from any restrictive covenants / lien or other encumbrance under any contract/ arrangement including shareholder agreement/ joint venture agreement/ financing arrangement Loan is repayable in percentage of facility at semi annually instalments. However the entire loan has been repaid on 15 April 2022 and 16 June 2022.
3	Rupee term loans from banks (secured)	Jodhpur Pali Expressway Private Limited	-	1,343.50	**Rate of Interest and Repayment Terms** Indian rupee term loans from banks as at 31 March 2023 of ₹ Nil (31 March 2022:₹ 1,343.50 millions;) which carries average interest rate of Nil (31 March 2022 - 9.50%,). The loan is to be repaid in 67 unequal quarterly installments starting from 15 October 2017 and ending on 15 July 2034. **The rupee term loan is secured by the way of :** Pari passu first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by by way of first pari passu charge on the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. First pari passu pledge of 51% of equity share capital of the Borrower held by the Sponsor. To enable the change in ownership of the Project from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. . The Company is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank. However the same has been repaid on 15 November 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
4	Rupee term loan from financial institutions (Secured)	Dewas Bhopal Corridor Private Limited	-	1,223.88	**Rate of Interest and Repayment Terms** Indian rupee term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,233.88 millions;) which carries rate of interest rate of Nil (31 March 2022: 8.50% p.a for both RTL -I and RTL-II,). The interest rate is linked to 6-month MCLR of SBI plus spread of respective facility with MCLR reset on semi-annual basis and spread reset on annual basis. Both the term loans are repayable in 53 unequal quarterly installments starting from 31 March 2018 and ending on 31 March 2031. **The rupee term loan is secured by first charge on :-** (a) all movable assets present and future except the project assets; (b) all revenues which may be received by the Borrower under the Project Documents or otherwise; (c) all bank accounts of the Borrower; (d) all intangibles including goodwill, undertaking of the Borrower, uncalled capital, trademarks, patents, present and future; (e) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents, all as amended, varied or supplemented from time to time; (f) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contactor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; (g) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower under the insurance Contracts; and (h) by way of pledge of Shares of 51% of the Equity of the SPV and charge on 51% of Loans and Other Securities, subject to the terms of the financing agreements, the Concession Agreement and Escrow Agreement. To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 29 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and has recreated the pledge, since it has recieved NOC from AD bank on 25 April 2022. However the said loan has been repaid on 27 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV. .
5	Rupee term loan from financial institutions (Secured)	Godhra Expressways Private Limited	-	156.63	**Rate of Interest and Repayment Terms** Indian rupee term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 156.63 millions;) which carries interest rate of 31 March 2023: Nil (31 March 2022 - 10.50%,) per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036. **The rupee term loan is secured by the way of :** a) first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; b) a first charge on all the Borrower's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; c) a first charge over all accounts of the Borrower, including, the Escrow Account and the Sub-Account(s) (including the DSRA and the MMRA) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account, and a first charge on the receivables; and d) First charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date. A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till 31 March 2023. Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
					To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and has recreated the pledge, since it has received NOC from AD bank on 25 April 2022. However the same has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.
6	Term loan from financial institutions (Secured)	Ulundurpet Expressways Private Limited	-	1,795.58	**Rate of Interest and Repayment Terms** Indian rupee term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,795.58 millions;) which carries interest rate of 31 March 2023: Nil (31 March 2022 - 10.50%,) per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036. **The term loan is secured by the way of :** a) first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; b) a first charge on all the Borrower's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; c) a first charge over all accounts of the Borrower, including, the Escrow Account and the Sub-Account(s) (including the DSRA and the MMRA) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account, and a first charge on the receivables; and d) First charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date. A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till 31 March 2023. Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee. To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. To enable the change in ownership of the Company from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10th December 2021. The Company is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank. However the same has been repaid on 09 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.
7	Non-convertible debentures (Secured)	Dewas Bhopal Corridor Private Limited	-	1,613.56	**Rate of Interest and Repayment Terms** Non-Convertible Debentures from Financial Institution of Nil (31 March 2022: ₹ 1,613.56 millions;) which carries average interest rate of Nil (31 March 2022- 8.28%,). The NCDs are redeemable in 57 unequal quarterly instalments starting from 31 March 2016 and ending on 31 March 2030 during the financial year ended 31 March 2022. **The Non-Convertible Debentures are secured by the way of :** (a) SPV's movable properties, both present and future, except project assets; (b) All accounts, both present and future including escrow account, major maintenance reserve, DSRA and other reserves and bank accounts of borrower; (c) Intangibles assets including goodwill, rights, undertaking and uncalled capital, excluding project assets; (d) by way of pledge of Shares of 51% of the Equity of the SPV , subject to the terms of the financing agreements, the Concession Agreement and Escrow Agreement; and (e) all the rights, title interest, benefits, claims and demands of borrower in project agreements, goverment approvals, letter of credit, guarantees. (f) a first charge by way of mortgage over identified immovable properties, save and except Project Assets (g) a negative lien on 26% of the Equity of the Issuer by the Other Shareholders until Final Settlement Date or receipt of approval of MPRDC for divestment of such shareholding.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
					Provided that the aforesaid mortgage, hypothecation charges, assignments and the pledge of Shares and negative lien on Shares shall rank pari passu inter se amongst -The Debenture Holders without any preference or priority to one over the other or others; and -The Debenture Holders and the Rupee Lenders (for Facility-I and Facility-II) without any preference or priority to one over the other or others, subject to and in accordance with the Concession Agreement and the IDF Tripartite Agreement (as approved by MPRDC); To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 29 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and had recreated the pledge, since it has recieved NOC from AD bank on 25 April 2022. However the said loan has been repaid on 27 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.
8	Non-convertible debentures (Secured)	Godhra Expressways Private Limited	-	3,922.40	**Rate of Interest and Repayment Terms** Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹. 3,922.40 millions;) which carries average interest rate of Nil (31 March 2022 - 9.73%,). The NCDs are redeemable in 76 unequal quarterly instalments starting from 30 June 2017 and ending on 28 February 2036. **The Non-Convertible Debentures are secured by the way of :** a) first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; b) a first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; c) a first charge over all accounts of the Borrower, including, the Escrow Account and the Sub-Account(s) (including the DSRA and the MMRA) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account, and a first charge on the receivables; and d) The Secured Debt is secured on a pari passu basis by a first ranking charge in relation to the Rupee Facility/ NCDs on Mortgaged Properties, all tangible movable assets, all intangible assets excluding Project Assets, all accounts of the SPV and by way of pledge of Shares of 51% of the Equity of the SPV/ Sponsor's Debentures and by way of assignment of 51% of other Sponsor Contributions, subject to the terms of the Concession Agreement and Escrow Agreement. The Debt is further secured by non-disposal undertaking for the balance 49% of the shares of the SPV until 31 March 2023. To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and has recreated the pledge, since it has received NOC from AD bank on 25 April 2022. However the said loan has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
9	Non Convertible debentures (Secured)	Jodhpur Pali Expressway Private Limited	-	1,254.35	**Rate of Interest and Repayment Terms** Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹. Nil (31 March 2022: ₹. 1,254.35 millions;) which carries average interest rate of Nil (31 March 2022 - 9.35%,). NIIF NCD is redeemable in unequal quarterly instalments starting from 15 January 2018 and ending on 15 January 2034. **The Non-Convertible Debentures are secured by the way of :** Pari passu first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first pari passu charge on the rights, title, interest, benefit, claims, of the Project SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the Project SPV in respect of monies lying to the credit of Escrow account and other accounts. First pari passu pledge of 51% of equity share capital of the Borrower held by the Sponsor. To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. The Company is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank. However the said loan has been repaid on 15 November 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.
10	Non-convertible debentures (Secured)	Nirmal BOT Limited	-	1,249.10	**Rate of Interest and Repayment Terms** Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹. Nil (31 March 2022: ₹. 1,249.10 millions;) which carries average interest rate of Nil % (31 March 2022 - 9.38%,). Debentures are redeemable semi annually (unevenly) starting from 18th November 2010 and ending on 18 May 2026. **The Non-Convertible Debentures are secured by the way of :** a) The land is under lien by way of mortgage to Axis Trustee Services Limited acting as Debenture Trustee, by way of charge dated 16 December 2010; and b) Debenture's are secured by way of first and exclusive charge on all assets both present and future and annuity receivables, excluding the project assets as defined in the Concession Agreement. Undertakings from the Sponsor to deposit the amount of difference between the actual O&M costs and the O&M costs as per the Trust and Retention Account and difference between the actual annuity received and annuity as per annuity schedule. However the said loan has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.
11	Non-convertible debentures (Secured)	Ulundurpet Expressways Private Limited	-	1,039.91	**Rate of Interest and Repayment Terms** Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹. 1,039.91 millions;) which carries average interest rate of Nil (31 March 2022 - 9.90%,). These are redeemable in 40 unequal quarterly instalments starting from 30 April 2015 and ending on 15 January 2025. **The Non-Convertible Debentures are secured by the way of :** Pari passu first charge over SPV's movable properties, both present and future, including plant and machinery and Intangible Asset excluding project assets. Further secured by the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. A first charge by way of pledge of Shares of 51% of Equity of the Issuer. To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank as per application filed on 24 December 2021 , in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank. Additionally, Non-Disposal Undertaking (NDU) has been marked over 51% of the CCDs of the Project SPV held by it in favour of IDBI Trusteeship Services Limited (for the benefit of existing lenders of the Project SPV). However the said loan has been repaid on 09 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
12	Listed, redemable, non-convertible debentures	Highways Infratsructure Trust	6,416.05	-	**Rate of Interest and Repayment Terms** 'The Trust has raised senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹400.00 crores for Series I at coupon rate of 7.71% p.a. and ₹250.00 crore for Series II at coupon rate of 8.25% p.a which will mature on 22 December 2025 and 22 September 2029 respectively.The NCDs are listed on Bombay Stock Exchange (BSE). . The said series I NCDs is repayable in 13 structured quaterly installments starting from 31 December 2022 and ending on 22 December 2025. Further series II NCDs is repayable in 28 structured quaterly installments starting from 31 December 2022 and ending on 22 September 2029. **The non convertible debentures (NCD) are secured by way of :** a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: (a) all receivables of the Issuer from the HoldCos and SPVs; (b) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (c) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (d) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/ or insurances (in each instance, if any) of the Issuer; and (e) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets,including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer. c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs. d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan. f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities"); g) undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee . h) unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee")
13	Loan from others (unsecured)	Ulundurpet Expressways Private Limited	517.68	470.62	**Rate of Interest and Repayment Terms** Interest free loans from GMR Highway Limited of ₹ 517.68 millions (31 March 2022: ₹ 470.62 millions;) repayable on or before 22 January 2027, however repayment can be made only after repayment of term loan, however in case surplus cash available as per the terms of financing document, the same can also be prepaid.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
14	Compulsory convertible debentures (CCD's)	Ulundurpet Expressways Private Limited	-	219.05	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into equity shares of INR 10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the equity shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into equity shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair market value of the equity shares as on date of conversion of the CCD on a fully diluted basis] Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e Galaxy Investment II Private limited, Highways Infrastructure Trust and the Project SPV's the CCD's were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022.
15	Compulsory convertible debentures (CCD's)	Jodhpur Pali Expressway Private Limited	-	2,333.83	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into equity shares of INR 10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the equity shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into equity shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair market value of the equity shares as on date of conversion of the CCD on a fully diluted basis] Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e Galaxy Investment II Private limited, Highways Infrastructure Trust and the Project SPV's the CCD's were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
16	Compulsory convertible debentures (CCD's)	Godhra Expressways Private Limited	-	5,094.14	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into Equity Shares of INR 10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis] Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e Galaxy Investment II Private limited, Highways Infrastructure Trust and the Project SPV's the CCD's were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022. However out of the total CCD's , consideration of CCD's amounting to ₹ 3060 Millions were paid in cash by Highways Infrastructure Trust.
17	Compulsory convertible debentures (CCD's)	Nirmal BOT Limited	-	331.12	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into Equity Shares of INR 10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis] Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e Galaxy Investment II Private limited, Highways Infrastructure Trust and the Project SPV's the CCD's were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at 31 March 2023	As at 31 March 2022	Repayment terms and security disclosure
18	Liability portion of compound instruments- Preference Shares	Shillong Expressway Private Limited	-	519.08	The SPV has only one class of 2,100,000, Non cumulative Redeemable preference shares at par value of ₹ 10 per share . The SPV has classified Non cumulative redeemable preference shares as compound financial instrument and bifurcated equity and liability component with retrospective effect from its origination date.During the year 2018-19, the SPV has redeemed the 283,000 no. of 6% Non-Cumulative Redeemable Preference Shares (Preference shares) out of 2,100,000 preference shares at price of ₹ 300 each.. As per shareholders meeting held on 30 June 2020, the terms of preference shares are changed and the same are now redeemabale at any time on or before 31 March 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited.. As per Board meeting held on 31 March 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 31 May 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited. As per Board meeting held on 13 May 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 30 September 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited. As per Board meeting held on 24 September 2021, the terms of preference shares are changed as:1,817,000 nos. of Preference Shares issued on 4th January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 31st December 2021 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited. These terms subsequently revised and the redemption date extended to 31 March 2022. As per resolution passed through circular by board of directors on 07 April 2022, the terms of preference shares are changed as:1,817,000 nos. of Preference Shares issued on 04 January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 30th September 2022 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited." Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e Galaxy Investment II Private limited, Highways Infrastructure Trust and the Project SPV's the preference shaees were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022. As per resolution passed through circular by board of directors on 30 August 2022, the terms of preference shares are changed as:1,817,000 nos. of Preference Shares issued on 4th January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 30th September 2024 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited." As per resolution passed through circular by board of directors on 7th November 2022, the company partial redemption of 9,08,500 no. of 6% non-cumulative redeemable preference shares of INR 10/- each aggregating to INR 90,85,000/- at the price of INR 300/- each per preference shares aggregating to INR 27,25,50,000/-
	Total		**14,766.86**	**23,268.43**	

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

18 Other non-current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Deferred payment liabilities-payable to concession authorities for toll collection rights	1,556.83	1,276.93
	1,556.83	**1,276.93**

(i) Refer note 40- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 41-Financial risk management for assessment of expected credit lossess

19 Non-current provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 39)	9.25	8.35
Compensated absence (refer note 39)	4.62	4.65
Other provisions		
Major maintenance obligation (refer note (i)(a) and (ii) below)	267.69	311.84
	281.56	**324.84**

Notes:

(i) Information about individual provisions and significant estimates

(a) Provision for major maintenance obligation

Each SPV of the Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to National Highways Authority of India ('NHAI'), Madhya Pradesh Road Development Corporation ('MPRDC'), Public Work Department ('PWD') as per the maintenance standards prescribed in respective concession arrangements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repair of structures and other equipments and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually. Considering that the expense to be incurred depends on various factors including the usage, wear and tear of the highway, bituminous overlay, etc, it is not possible to estimate the exact timing and the quantum of the cash flow. The management does not expect any re-imbursement towards the expenses to be incurred.

(b) For disclosures required related to provision for employee benefits, refer note 39 - Employee benefit obligations.

(All amounts in ₹ millions unless otherwise stated)

(ii) Movement in major maintenance obligation during the financial year :

	As at 31 March 2023	As at 31 March 2022
- Non-current (Refer Note 19)	267.69	311.84
- Current (Refer Note 25)	424.24	279.05
Total provision	**691.93**	**590.89**

Particulars	Major maintenance obligation
Balance as at 03 December 2021	**-**
Acquisition under common control business combinations (refer note 48)	1,232.83
Additions during the period	100.14
Utilised during the period	(757.95)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate	15.87
Balance as at 31 March 2022	**590.89**
Additions during the year	416.39
Utilised during the year	(366.66)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate	51.31
Balance as at 31 March 2023	**691.93**

20 Deferred tax liabilities (net)*

	As at 31 March 2023	As at 31 March 2022
Deferred tax liability arising on account of :		
Timing difference on amortisation of intangible assets and depreciation of property plant and equipment	2,270.69	1,632.90
Adjustment on account of interest free loan and upfront fees on borrowings	-	2.34
Fair valuation of investments	0.17	2.07
Sub-total (A)	2,270.86	1,637.31
Deferred tax asset arising on account of :		
Provision for major maintenance obligation	-	66.53
Amount payable to Concession Authorities as per service concession agreement	417.52	287.52
Tax credit (minimum alternative tax)	607.16	433.90
Sub-total (B)	**1,024.68**	**787.95**
Deffered tax liabilities (net) (A-B)	**1,246.17**	**849.36**

* refer note 33 for details with respect to deferred tax not recognized on unused tax losses and credits.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

20.1 Component wise movement of Deferred tax liabilities /(asset) for the year / period ended 31 March 2023 and 31 March 2022

Particulars	01 April 2022	Recognised in the Statement of Profit and Loss during the year	31 March 2023
Liabilities			
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	1,632.90	637.79	2,270.69
Adjustment on account of interest free loan and upfront fees on borrowings	2.34	(2.34)	-
Fair valuation of investments	2.07	(1.90)	0.17
Sub-Total	1,637.31	633.55	2,270.86
Assets			
Provision for major maintenance obligation	66.53	(66.53)	-
Amount payable to concession authorities as per service concession agreement	287.52	130.00	417.52
Tax credit (minimum alternative tax)	433.90	173.26	607.16
Sub-Total	787.95	236.73	1,024.68
	849.36	**396.82**	**1246.18**

Particulars	03 December 2021	Acquisition under common control business combinations (refer note 48)	Recognised in the Statement of Profit and Loss during the period	31 March 2022
Liabilities				
Timing difference on amortisation of intangible assets and depreciation of property plant and equipment		1,533.95	98.96	1,632.90
Adjustment on account of interest free loan and upfront fees on borrowings		0.57	1.77	2.34
Fair valuation of investments		3.05	(0.98)	2.07
Sub-Total		1,537.56	99.75	1,637.31
Assets				
Provision for major maintenance obligation			66.53	66.53
Amount payable to Concession Authorities as per service concession agreement		252.71	34.80	287.52
Unused business loss		9.59	(9.59)	
Tax credit (minimum alternative tax)		384.65	49.30	433.90
Sub-Total	-	646.95	141.04	787.95
	-	**890.61**	**(41.30)**	**849.36**

(All amounts in ₹ millions unless otherwise stated)

21 Current borrowings

	As at 31 March 2023	As at 31 March 2022
Unsecured		
Liability component of compound financial instruments	-	519.08
Secured		
Current maturities of long-term borrowings (also refer note 17)		
- Rupee term loans from banks	160.00	324.21
- Term loans from related parties	-	422.72
- Non-convertible debentures	65.00	741.62
	225.00	**2,007.63**

(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Long-term borrowings (including current maturities)
Balance as at 03 December 2022	**-**
Acquisition under common control business combinations (refer note 48)	23,412.35
Cash flows:	
Proceeds	7,562.77
Repayment/ redemption	(7,693.51)
Non-cash:	
Impact of amortised cost adjustment for borrowings	(13.18)
Balance as at 31 March 2022	**23,268.43**
Cash flows:	
Proceeds	14,469.03
Repayment/ redemption	(14,413.10)
Non-cash:	
Units alloted against redemption of compulsory convertible debentures ('CCD')	(7,978.14)
Units alloted against redemption of preference share capital	(519.08)
Impact of amortised cost adjustment for borrowings	(60.30)
Balance as at 31 March 2023	**14,766.86**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

22 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises [refer note (iii) below]	10.18	18.66
Total outstanding dues to creditors other than micro and small enterprises		
- to related parties (refer note 44)	154.03	0.82
- to others	223.50	301.32
	387.71	**320.80**

Note:

(i) Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40-Financial risk management for assessment of expected credit lossess

(ii) The carrying values are considered to be a reasonable approximation of fair value.

(iii) **Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

		As at 31 March 2023	As at 31 March 2022
a)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	10.18	18.66
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(All amounts in ₹ millions unless otherwise stated)

(iv) **Ageing of undisputed Trade Payables:**

As at 31 March 2023	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro, small and medium enterprises	6.72	3.46	-	-	-	10.18
Others	182.22	172.51	12.14	10.39	0.26	377.53
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	188.94	175.97	12.14	10.39	0.26	387.71

As at 31 March 2022	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro, small and medium enterprises	-	18.66	-	-	-	18.66
Others	-	290.32	1.02	10.01	0.78	302.14
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	-	308.98	1.02	10.01	0.78	320.80

23 Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Deferred payment liabilities-payable to concession authorities for toll collection rights	136.53	130.04
Retention money	40.20	52.35
Advance against customers	3.81	-
Interest accrued on Rupee term loan	1.19	-
Interest accrued on Non convertible debentures ('NCD's)	1.30	-
Interest accrued but not due borrowings	-	366.76
Employees payable	5.01	5.58
Provision for corporate social responsibility (CSR) (refer note 31.2)	0.78	0.49
Other payables	38.30	94.16
	227.12	**649.37**

Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40-Financial risk management for assessment of expected credit lossess

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

24 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Payable to statutory authorities	43.11	30.15
Other payables	-	1.01
	43.11	**31.16**

(i) Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40-Financial risk management for assessment of expected credit lossess

25 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 39)	0.80	0.65
Compensated absence (refer note 39)	0.42	0.45
Other provisions		
Major maintenance obligation (refer note 19)	424.24	279.05
	425.46	**280.15**

(i) For disclosures related to provision for employee benefits, refer note 39 - Employee benefit obligations.

26 Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Provision for income tax (net)	-	4.29
	-	**4.29**

27 Revenue from operations*

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Income arising out of toll collection	5,637.45	1,465.61
Interest income on annuity receivable from National Highways Authority of India ("NHAI")	183.75	55.54
Revenue from operations and maintenance of road	280.23	61.37
Change of scope and utility shifting expenses	50.92	50.43
Gain on modification of annuity	-	243.08
	6,152.35	**1,876.03**

*refer note 43

(All amounts in ₹ millions unless otherwise stated)

27.1 Profit on sale of assets/investments

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Gain on sale of property, plant and equipment (net)	0.02	0.65
Gain on investments carried at fair value through profit or loss (net)	2.36	-
Gain on sale of investments (net)	123.66	29.70
	126.04	**30.35**

28 Other income

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Interest income		
- Income tax refund	1.43	-
- Others	10.35	2.21
Insurance claims	8.03	2.02
Excess provisions written back	9.15	1.00
Gain on modification of financial liability	-	26.03
Miscellaneous income	2.21	14.78
	31.17	**46.04**

29 Employee benefits expense

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Salary, wages and bonus	87.20	21.18
Contribution to provident and other funds	5.53	1.79
Staff welfare expenses	11.30	4.79
	104.03	**27.76**

For disclosures related to provision for employee benefits, refer note 39 - Employee benefit obligations

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

30 Other finance costs

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Unwinding finance cost on deferred payment to National Highways Authority of India ('NHAI') for purchase of right to charge user of toll roads	177.46	42.50
Unwinding of discount on major maintenance provision	51.31	15.87
Unwinding of discount on provisions and financial liabilities carried at amortised cost	110.04	13.18
Modification loss on financial liability	5.06	-
Finance and bank charges	103.61	2.05
	447.48	**73.60**

31 Operating expenses

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Expenses related to claim from National Highways Authority of India ('NHAI') / Public Works Department ('PWD')	28.62	-
Modification loss on annuity	298.57	-
Change of scope and utility shifting expenses	38.23	46.69
	365.44	**46.69**

31.1 Audit fees*

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Statutory audit and limited review fees	15.43	-
Certification fees	1.24	-
Out of pocket expenses	0.71	-
Total	**17.38**	**-**

*Including goods and service tax, as applicable

31.2 Corporate social responsibility (CSR)

Pursuant to provisions of section 135 of the Companies Act 2013 ('the Act') are applicable on few subsidiaries of the Trust. In accordance with the provisions of section 135 of the Act, the Board of Directors of the respective subsidiaries (where applicable) of Trust had constituted CSR Committee.The details of CSR activities are as follows:-

(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022*
(A) Amount required to be spent by the Company during the year	15.16	11.86
(B) Total of previous year of shortfall	0.49	1.18
(C) Total amount required to be spent (A+B)	**15.65**	**13.04**
(D) Amount of expenditure incurred	14.87	12.55
(E) Unspent amount at the end of the year (C-D)	**0.78**	**0.49**

*Details of CSR disclosure for the comparative period is given from 01 April 2021 to 31 March 2022

^The unspent amount has been deposited to designated CSR unspent account within 30 days from the end of financial year in accordance with provision of Companies Act, 2013 read with relevant rules made thereunder.

		01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022*
	Nature of CSR activities		
A.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation.	10.33	10.73
B.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	4.54	1.81
C.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	-	-
D.	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.	-	-
E.	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	-	-
F.	Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	-	-
	Total expenditure incurred	**14.87**	**12.55**

Notes:

(i) The Group carries provision for corporate social responsibility for the current year and previous year.

(ii) The Group have a ongoing projects in one subsidiaries as at 31 March 2023 and 31 March 2022

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

32 Other expenses

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Power, fuel and water charge	32.30	6.10
Communication	2.93	0.87
Loss on investments carried at fair value through profit or loss (net)	-	6.26
Rates and taxes	0.61	0.06
Travelling and conveyance	9.19	3.19
Rent (refer note 36)	1.97	0.63
Bad debts written off	9.34	-
Printing and stationery	0.63	0.25
Miscellaneous expenses	6.37	0.41
	63.34	**17.77**

33 Assets pledged as security

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Investments (refer note 9)	648.60	2,152.39
Trade receivables (refer note 10)	0.16	37.30
Cash and cash equivalents and bank balances (refer note 11 and 12)	1,895.69	2,338.44
Other financial assets (refer note 6 and 13)	631.38	936.82
Other current assets (refer note 14)	55.23	72.90
Total current assets pledged as security	**3,231.06**	**5,537.85**
Non-current		
Property, plant and equipment (refer note 3)	100.00	130.04
Capital work in Progress (refer note 4)	-	2.39
Intangible assets (refer note 5)	19,353.89	20,246.56
Other non-current financial assets (refer note 6)	541.71	1,387.67
Non-current tax assets (net) (refer note 7)	83.57	89.40
Other non-current assets (refer note 8)	6.26	0.28
Total non-currents assets pledged as security	**20,085.42**	**21,856.34**
Total assets pledged as security	**23,316.49**	**27,394.19**

(All amounts in ₹ millions unless otherwise stated)

34 Tax expense

(i) Income tax expense recognised in Consolidated Statement of Profit and Loss

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Current tax	225.67	81.95
Deferred tax	396.82	(41.30)
	622.49	**40.65**
The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :		
Profit before tax	964.48	489.03
Income tax using the Group's domestic tax rate *	29.12%	29.12%
Expected tax expense [A]	**280.86**	**142.41**
Tax effect of amount which are not deductible/ (taxable) in calculating taxable income		
Tax impact of exempt income pursuant to tax holiday and other exemptions as per Income Tax Act, 1961	(360.76)	(90.08)
Minimum Alternate Tax (MAT) credit recognized	(173.27)	(49.28)
Impact on account of change in rates	-	(32.98)
Deferred tax asset not recognised due to absence of certainity of realisibility	364.58	70.58
Recognition of additional deferred tax liability pursuant to extension impact considered in subsidiaries of the Trust	510.66	-
Others	0.42	-
Total adjustments [B]	**341.64**	**(101.76)**
Actual tax expense [C=A+B]	**622.49**	**40.65**
* Domestic tax rate applicable to the Group has been computed as follows:		
Base tax rate	25.00%	25.00%
Surcharge (% of tax)	12.00%	12.00%
Cess (% of tax)	4.00%	4.00%
Applicable rate	29.12%	29.12%

Note:

Tax rate applicable on the project SPV's have been considered for the purpose of above disclosure.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(ii) Unused tax losses and credits:

- Unused tax losses:

Unused tax losses for which no deferred tax asset has been recognised*

Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)

Particulars	As at 31 March 2023	As at 31 March 2022
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised (Refer (a) and (b) below)	10,201.07	10,220.05
Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)	2,970.55	2,976.08

a) Unused business loss can be carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2023	31 March 2031	471.14	-
		471.14	**-**

b) Unabsorbed depreciation:

Unabsorbed depreciation for which no deferred tax asset has been recognised*

Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)

Unabsored depreciation carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2010	Infinite period	-	496.18
31 March 2011	Infinite period	830.08	833.84
31 March 2012	Infinite period	736.96	736.96
31 March 2013	Infinite period	558.61	558.61
31 March 2014	Infinite period	1,361.35	1,361.35
31 March 2015	Infinite period	1,894.20	1,894.20
31 March 2016	Infinite period	1,620.12	1,620.55
31 March 2017	Infinite period	1,196.37	1,196.37
31 March 2018	Infinite period	658.23	658.23
31 March 2019	Infinite period	383.77	383.77
31 March 2020	Infinite period	217.85	208.65
31 March 2021	Infinite period	29.99	29.99
31 March 2022	Infinite period	242.40	241.35
31 March 2023	Infinite period	214.94	-
		9,729.93	**10,220.05**

(All amounts in ₹ millions unless otherwise stated)

b) Minimum alternate tax ('MAT'):

Unused MAT credit

There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts considering the Group believes that it is not probable that the same can be utilized during the specified allowable year against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2014	31 March 2029	2.34	2.34
31 March 2015	31 March 2030	10.05	10.05
31 March 2016	31 March 2031	6.68	6.68
31 March 2017	31 March 2032	23.11	23.11
31 March 2018	31 March 2033	20.69	20.69
31 March 2019	31 March 2034	5.34	5.34
31 March 2020	31 March 2035	41.94	41.94
31 March 2021	31 March 2036	39.73	39.73
31 March 2022	31 March 2037	29.77	17.49
		179.64	**167.37**

35 Earnings per unit (EPU):

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit attributable to unitholder (₹ in millions)	**341.99**	-
Number of weighted average equity shares (Nominal value of ₹ 100 each)**		
- Basic (₹)	415,500,000	-
- Diluted (₹)	415,500,000	-
Earnings per unit - after exceptional items and tax		
- For Basic (₹)	0.82	*
- For Diluted (₹)	0.82	*

Note:

*The number of units issued by Highways Infrastructure Trust to the unit holders in exchange for the shareholding of the project SPVs were issued during the current year, hence earning per unit has not been calculated for the period 03 December 2021 to 31 March 2022.

**Units were issued on 23 August 2022, however for the purpose of Earnings per unit has been arrived without considering weighted average number of units as the income statement pertains to financial year ended 31 March 2023 based on the common control arrangement of business combination as explained in note 48.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

36 Information on Lease transactions pursuant to Ind AS 116-Leases

The group is a lessee under various short term leases. Rental expense on short term or low value leasees for the financial years ended 31 March 2023 and 31 March 2022 are ₹ 1.97 million, ₹ 0.63 million respectively.

37 Capital and other commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated project cost for construction of highway committed to be executed	30.57	27.13

38 Contingent liabilities and claims

Particulars	As at 31 March 2023	As at 31 March 2022
Sales tax / service tax and income tax cases in respect of which Group is in appeals	138.19	138.19
Claim against the SPV Group raised by the Engineering Procurement Construction (EPC) contractor, not acknowledged as debt	-	-
Income tax cases in respect of Group	4.03	-
Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals *	221.19	221.19
Labour welfare dues in respect of which Group is in appeals*	47.78	47.78
Total	**411.19**	**407.16**

*The said contingent liability is covered under pass through arrangement as per assignment agreement of the project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability in (net) will devolve on the Trust.

39 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

A Disclosure Contribution plan

The group's contribution to the employees provident fund is deposited with the provident fund commissionaire which is recognised by the Income Tax authorities. The group recognised ₹ 5.13 million (for the period 03 December 2021 to 31 March 2022: ₹1.68 million) for provident fund contribution and the group's contribution to the employee state insurance corporation fund is deposited with Authority which is recognised by the Income Tax authorities for the year ended 31 March 2023. The group recognised ₹ 0.40 million (for the period 03 December 2021 to 31 March 2022: ₹ 0.11 million) for Employee State Insurance Corporation in the consolidated statement of profit or loss for the year ended 31 March 2023.

(All amounts in ₹ millions unless otherwise stated)

B Summary of gratuity and compensated absences:

Description	As at 31 March 2023		As at 31 March 2022	
Provisions:	Current	Non-Current	Current	Non-Current
Gratuity	0.80	9.25	0.65	8.35
Compensated absences	0.42	4.62	0.45	4.65
Total provisions	**1.21**	**13.87**	**1.09**	**13.00**
Fair value of plan assets of gratuity	0.29	1.08	0.33	0.28

C Disclosure of gratuity

Gratuity (funded)

The group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The group provides for gratuity, based on actuarial valuation as of the balance sheet date. Vesting occurs upon completion of 5 years of service.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

(a) **Salary increases** -Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) **Investment risk** - If plan is funded then assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) **Discount rate- Reduction in discount rate in subsequent valuations can increase the plan's liability.**

(d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

(i) **Amount recognised in the Consolidated Statement of Profit and Loss is as under:**

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Current service cost	2.21	0.56
Interest cost	0.52	0.29
Net impact on profit (before tax)	**2.73**	**0.85**
Actuarial (gain) / loss recognised during the year / period	(0.90)	0.23
Amount recognised in total comprehensive income	**1.83**	**1.08**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(ii) **Movement in present value of obligation:**

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Present value of defined benefit obligation as at the beginning of the year /period	11.41	-
Acquisition under common control business combinations (refer note 48)	-	11.96
Transfer out obligation	(0.86)	(0.57)
Current service cost	2.21	0.56
Interest cost	0.74	0.29
Benefits paid	(0.67)	(0.99)
Actuarial (gain) / loss recognised during the year / period	(0.91)	0.16
Present value of defined benefit obligation as at the end of the year / period	**11.91**	**11.41**

(iii) **Movement in the plan assets recognised in the Consolidated Balance Sheet is as under:**

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Fair value of plan assets at the beginning of the year /period	**3.03**	**-**
Acquisition under common control business combinations (refer note 48)	-	2.90
Actual return on plan assets	0.22	0.06
Contributions	-	0.00
Actuarial (gain)/ loss	(0.01)	0.07
Fair value of plan assets at the end of the year / period	**3.23**	**3.03**

(iv) **Reconciliation of present value of defined benefit obligation and the fair value of assets:**

Description	As at 31 March 2023	As at 31 March 2022
Present value of funded obligation as at the end of the year	11.91	11.41
Fair value of plan assets as at the end of the year funded status	3.23	3.03
Unfunded/funded net liability recognized in consolidated balance sheet	**8.68**	**8.38**

(v) **Breakup of actuarial (gain)/loss:**

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Actuarial gain from financial assumption	(0.63)	(0.39)
Actuarial (gain) / loss from experience adjustment	(0.28)	0.56
Return on plan assets (excluding amounts included in net interest expense)	0.01	0.06
Total actuarial (gain) / loss for the year / period	**(0.90)**	**0.23**

(All amounts in ₹ millions unless otherwise stated)

(vi) **Actuarial assumptions:**

Description	As at 31 March 2023	As at 31 March 2022
Discount rate-range	7.4% to 7.45%	6.35% to 7.75%
Rate of increase in compensation levels-range	6% to 8%	6% to 8%
Retirement age	58 years	58 years

Notes:

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The estimates of rate of escalation in salary considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(vii) **Sensitivity analysis for gratuity liability:**

Description	As at 31 March 2023	As at 31 March 2022
Impact of change in discount rate		
Present value of obligation at the end of the year	**11.91**	**11.41**
- Impact due to increase of 0.50% - 1 %	11.32	(0.57)
- Impact due to decrease of 0.50% - 1 %	12.54	0.62
Impact of change in salary increase		
Present value of obligation at the end of the year	**11.91**	**11.41**
- Impact due to increase of 0.50% - 1 %	12.42	0.47
- Impact due to decrease of 0.50% - 1 %	11.40	(0.49)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(viii) **Maturity profile of defined benefit obligation:**

Description	As at 31 March 2023	As at 31 March 2022
Within next 12 months	0.86	0.71
Between 1-5 years	4.03	3.07
Beyond 5 years	7.02	7.63
Total expected payments	11.91	11.41
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	**7.75 - 15.67 years**	**9.03 - 16.16 years**

B Compensated absence

Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Current service cost	1.15	0.30
Interest cost	0.33	0.08
Actuarial gain recognised during the year	(0.82)	(0.51)
Amount recognised in the Consolidated Statement of Profit and Loss	**0.65**	**(0.13)**

40 Categories of financial instruments and fair value measurement hierarchy:

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	648.60	-	-	**648.60**

(All amounts in ₹ millions unless otherwise stated)

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	2,152.39	-	-	**2,152.39**

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the Investor.

(ii) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at 31 March 2023		As at 31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Receivables under service concession arrangements	Level 3	1,136.25	1,345.51	1,944.23	1,944.23
Other financial assets	Level 3	36.84	36.83	380.26	380.26
Trade receivables	Level 3	0.16	0.16	37.30	37.30
Cash and cash equivalents	Level 3	349.11	349.11	365.82	365.82
Bank balances other than cash and cash equivalents above	Level 3	1,546.58	1,546.58	1,972.62	1,972.62
Total financial assets		**3,068.94**	**3,278.19**	**4,700.23**	**4,700.23**
Financial liabilities					
Borrowings (including current maturity and interest accrued)	Level 3	14,766.86	14,766.86	23,268.43	23,268.43
Trade payables	Level 3	3,87.70	387.71	320.80	320.80
Other financial liabilities	Level 3	1,783.95	1,783.94	1,926.30	1,926.30
Total financial liabilities		**16,938.51**	**16,938.51**	**25,515.53**	**25,515.53**

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, trade payables and other current financial liabilities (except current maturities of long term borrowings, deferred payment liabilities and current portion of annuity receivable) is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

(i) Long-term fixed rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.

(ii) The fair values of the Group's loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting period end was assessed to be insignificant.

(iii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

41 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	648.60	-	-	2,152.39	-	-
Other financial assets	-	-	1,173.09	-	-	2,324.49
Trade receivables	-	-	0.16	-	-	37.30
Cash and cash equivalents	-	-	349.11	-	-	365.82
Other bank balances	-	-	1,546.58	-	-	1,972.62
Total	**648.60**	**-**	**3,068.94**	**2,152.39**	**-**	**4,700.23**
Financial liabilities						
Borrowings	-	-	14,766.86	-	-	23,268.43
Trade payables	-	-	387.70	-	-	320.80
Other financial liabilities	-	-	1,783.95	-	-	1,926.30
Total	**-**	**-**	**16,938.51**	**-**	**-**	**25,515.53**

(All amounts in ₹ millions unless otherwise stated)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents above, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investment at fair value through profit or loss	Sensitivity analysis	Diversification of its portfolio of assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of respective SPVs. The Board of directors of Investment manager provides principles for overall risk managment, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to Special Purpose Vehicles (SPVs), placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

Assets under credit risk :

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
A: Low	Other current and non current financial assets	1,173.09	2,324.49
	Cash and cash equivalents	349.11	365.82
	Bank balances other than cash and cash equivalents above	1,546.58	1,972.62
B: Medium	Trade receivables from National Highways Authority of India ('NHAI')	0.16	37.30

Cash and cash equivalent and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade Receivables

The Group has trade receivables primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and Other financial assets measured at amortised cost Annuity receivable is primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously. Credit risk related to these other financial assets (except annuity receivables) is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Trade receivables

The Group is engaged in infrastructure development business under Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project. It currently derives its revenue primarily from toll collection / annuity business. Since the annuity receivables are from National Highway Authority of India ('NHAI') and various Government authorities, the credit risk with respect to such receivables from government institutions is expected to be very low and hence, no provision for expected credit loss is deemed necessary except in the case where individual receivables are known to be uncollectable. During the current year, the Group has not recognized any further provision for expected credit losses. There is no outstanding allowance of expected credit losses amounts as at 31 March 2023 (31 March 2022: Nil).

Financial assets (other than trade receivables)

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents and bank balances other than cash and cash equivalents - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

(All amounts in ₹ millions unless otherwise stated)

- For loans and other financial assets - Credit risk is evaluated based on the Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the the Group can draw to apply consistently to entire population.

Further during the year, the Group has not recognized any additional expected credit loss (31 March 2022: Nil). There is no outstanding allowance of expected credit losses amounts as at 31 March 2023 (31 March 2022: Nil)

B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Group had access to no undrawn borrowing facilities at the end of the 31 March 2023 and 31 March 2022

b) Maturities profile of financial liabilities

The Group has adequate financial assets and projected revenues from operations to meet its obligations for these liabilities. The tables below analyse the Group's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	1,359.85	7,363.42	2,632.74	10,922.63	**22,278.64**
Trade payable	387.7	-	-	-	**387.7**
Deferred payment liability to concessions authorities	144.31	310.62	342.46	4,173.14	**4,970.53**
Other financial liabilities	83.51	-	-	-	**83.51**
Total	**1,975.37**	**7,674.05**	**2,975.21**	**15,095.77**	**27,720.39**

As at 31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	4,190.79	7,755.67	6,746.95	33,795.74	**52,489.14**
Trade payable	320.80	-	-	-	**320.80**
Deferred payment liability to concessions authorities	137.44	295.83	326.15	2,537.30	**3,296.72**
Other financial liabilities	152.58	-	-	-	**152.58**
Total	**8,051.50**	**8,051.50**	**7,073.10**	**36,333.04**	**56,259.24**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

C) Market risk

a) Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to Interest rate risk exposure:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	7,833.13	4,525.45
Fixed rate borrowing	6,933.73	18,742.99
Total borrowings under borrowings	**14,766.86**	**23,268.44**
Amount disclosed under current borrowings	225.00	2,007.63
Total Amount disclosed under non-current borrowings	**14,541.86**	**21,260.80**

Sensitivity

Below is the Sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2023	As at 31 March 2022
Interest sensitivity*		
Interest rates – increase by 100 bps*	78.33	45.25
Interest rates – increase by 100 bps*	(78.33)	(45.25)

b) Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

D) Price risk

a) Exposure

The Group's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

(All amounts in ₹ millions unless otherwise stated)

b) Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Impact on profit before tax

Particulars	As at 31 March 2023	As at 31 March 2022
Mutual Funds		
Net assets value – increase by 100 bps	6.49	21.52
Net assets value – decrease by 100 bps	(6.49)	(21.52)

42 Capital management

For the purpose of the Group's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group's policy is to keep the gearing ratio optimum. The Group includes within its net debt, borrowings less cash and cash equivalents..

Net Gearing Ratio

The net gearing ratio at the end of the year is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Net debts*	16,201.68	24,828.91
Total equity (refer note 15 and 16)	4,381.66	388.86
Net debt to equity ratio	**3.70**	**63.85**

Net Debt*

Particulars	As at 31 March 2023	As at 31 March 2022
Non current borrowings	14,541.86	21,260.80
Current borrowings	225.00	2,007.63
Interest Accrued	2.49	
Other financial liabilities	1,781.45	1,926.30
Less: Cash and cash equivalents	(349.11)	(365.82)
Net debt	**16,201.68**	**24,828.91**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

43 Revenue from contracts with customers

1 Disaggregation of revenue

Revenue recognised mainly comprises of revenue from toll collections, claims with National Highways Authority of India ("NHAI"), contract revenue. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Revenue from operations		
(a) Change of scope and utility shifting expenses	50.92	50.43
(b) Toll income from Expressway	5,637.45	1,465.61
(c) Interest income on annuity receivable from National Highways Authority of India ('NHAI')	183.75	55.54
(d) Revenue from operations and maintenance of road	280.23	61.37
(e) Modification gain on annuity	-	243.08
Total revenue	**6,152.35**	**1,876.03**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2023 and 31 March 2022:

Sr. No.	Types of Products by Nature	Types of Services by timing	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Service	At the point of time	5,968.60	1,820.49
2	Service	Over the period of time	183.75	55.54
Total Revenue			**6,152.35**	**1,876.03**

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at 31 March 2023	As at 31 March 2022
Contract assets		
Trade receivables	0.16	37.30
Receivables under service concession arrangements	1,136.25	1,944.23
Total	**1,136.41**	**1,981.53**
Contract liability		
Mobilisation advance from concession authority	-	-
Total	**-**	**-**

(All amounts in ₹ millions unless otherwise stated)

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognized upon satisfaction of Performance obligation. Trade Receivables are non-interest bearing and are generally due within 180 days except retention money held by the customer as per the terms and conditions of the contract. Basis the credit risk assessment done by the Group, there is no provision for expected credit losses required to be recognized on Trade Receivables. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

3 There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement with the contracted price under the Contract.

4 For movement in service concession arrangement, refer note 6 for financial asset model. There are no significant changes in other contract assets of the group.

5 Performance obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by concessions authorities and approved by management. Further, the payment of toll collection is generally due at the time of providing service.

Contract revenue

The performance obligation under service concession agreements ('SCA') is due on completion of work as per terms of SCA.

6 Significant changes in the contract liabilities balances during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Addition during the year	-	-
Revenue recognised during the year	-	-
Closing balance	**-**	**-**

7

Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date (In Years)	Construction Completion date under the concession agreement
Jodhpur Pali Expressway Private Limited ("JPEPL")	16 September 2013	15 September 2038	25.00	31 October 2014
Ulundurpet Expressways Private Limited ("UEPL")	16 October 2006	21 January 2027	20.26	23 July 2009

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Godhra Expressways Private Limited ("GEPL")	01 March 2011	28 February 2038	27.00	31 October 2013
Dewas Bhopal Corridor Private Limited ("DBCPL")	20 March 2008	02 December 2033	25.71	10 February 2009
Nirmal BOT Limited ("NBL")	30 October 2007	29 October 2027	20.00	22 July 2009
Shillong Expressway Private Limited ("SEPL")	07 February 2011	06 February 2026	15.00	28 February 2013

i) The above BOT/DBFOT projects shall have following rights / obligations in accordance with the concession agreement entered into with the respective government authorities

a. Right to use the specified assets

b. Obligations to provide provision of services to public

c. Obligations to deliver road assets at the end of concession period

ii) The actual concession period may vary based on terms of the respective concession agreements.

44 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

I. Following are the related parties and transactions entered with related parties for the year ended 31 March 2023 and for the period ended 31 March 2022:

A. Related parties where control exists

Subsidiaries

Ulundurpet Expressways Private Limited
Nirmal BOT Limited
Godhra Expressways Private Limited
Dewas Bhopal Corridor Private Limited
Shillong Expressway Private Limited
Jodhpur Pali Expressway Private Limited

Holding Entity

Galaxy Investments II Pte. Ltd

(All amounts in ₹ millions unless otherwise stated)

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp

Ultimate holding entity

KKR & Co. Inc.

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (v) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C (ii)f or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust uptill 22 November 2022

II. List of additional related parties as per Regulation 2(1)(zv) of the InvIT Regulations

A. Parties to Highways Infrastructure Trust

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Highway Concessions One Private Limited ("HC1")- Investment Manager of Trust (w.e.f 23 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (Upto 22 November 2022)
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (Upto 13 November 2022)
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited - Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd - Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)
Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 (contd.)

(All amounts in ₹ millions unless otherwise stated)

C. Directors of the parties to Highways InfraTrust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Mr. Cecilio Velasco (Director) (Upto 26 January 2022)
Mr. Tang Jin Rong (Director)
Mr. Madhura Narawane (Director) (w.e.f 26 January 2022)

(ii) Directors and KMP of Virescent Infrastructure Investment Manager Private Limited

Mr. Vinay Kumar Pabba, Director w.e.f 26 November 2021 till 01 February 2022
Mr. Pradeep Kumar Panja, Director
Mr. Sanjay Grewal , Wholetime Director
Mr. Akshay Jaitly, Independent Director
Mr Hardik Bhadrik Shah, Director
Mr Aditya Narayan, Independent Director
Ms Daisy Devassy Chittilapilly, Independent Director
Ms. Charmi bhoot , Company Secretary and Compliance Officer

(iii) Directors of Virescent Renewable Energy Project Manager Private Limited

Mr. Sanjay Grewal , Director
Mr. Atul Raizada , Director

(iv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director
Mr. Rajesh Kumar Dahiya (Director)
Mr. Ganesh Sankaran (Director)

(v) Directors and KMP of Highway Concessions One Private Limited

Mr Hardik Bhadrik Shah, Non-executive Director
Mr Neeraj Sanghi, CEO (KMP), Whole time Director
Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)
Ms. Ami Vinoo Momaya , Non-executive Director
Mr Subramanian Janakiraman , Independent Director (w.e.f 04 March 2022)
Mr Manish Agarwal, Independent Director (from w.e.f 14 September 2022)
Ms. Kunjal Shah , Company Secretary and Compliance Officer
Mr. Narayanan Doraiswamy, Chief Financial Officer

(All amounts in ₹ millions unless otherwise stated)

(vi) Directors of HC One Project Manager Private Limited

Mr Neeraj Sanghi, Director (w.e.f 20 September 2022)
Mr Zafar Khan, Director (w.e.f 20 September 2022)

III. Transactions and outstanding balances with related party

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Galaxy Investment II Pte Ltd.		
Transaction during the period		
Proceeds from issue of Compulsory convertible debentures ('CCD's')	-	7,978.14
Issue of unit capital	37,390.00	-
Interest on CCD's	444.70	312.13
Investment in CCD's	3,060.00	-
Investment in preference shares	545.10	-
Distribution to unit-holders^	5,426.28	-
Balance outstanding at the end of the period		
Unit capital	37,390.00	-
Investment in equity shares of subsidiaries	-	3,200.95
Optionally Convertible Debenture	-	7,978.14
Interest accrued on Optionally Convertible Debenture	-	312.13
Highway Concessions One Private Limited		
Transaction during the period		
Reimbursement of expenses	44.85	-
Corporate support management fees	247.43	51.24
Transfer out obligation as per acturial for employee benefit	0.86	0.82
Repayment of loan	-	315.00
Interest of loan	-	0.31
Investment manager fees	109.25	-
Balance outstanding at the end of the period		
Trade and other payables	151.87	0.82
Transfer out obligation as per acturial for employee benefit	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the period		
Reimbursement of expenses	71.25	-
Investment manager fees	2.36	-
Balance outstanding at the end of the period		
Investment manager fees payable	2.16	-
HC One Project Manager Private Limited		
Transaction during the period		
Project manager fees	53.55	-
Balance outstanding at the end of the period		
Advance payment of Project Manager Fees	1.92	-
Axis Trustee Services Limited		
Transaction during the year/period		
Trustee fees	0.83	

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital and redemption of instruments

IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 are as follows:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

B Summary of the valuation reports (issued by the independent valuer appointed by the Trust)) for Investment in Compulsorily Convetible Debentures (CCD):

(All amounts in ₹ millions unless otherwise stated)

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

* During the financial year, the terms of Compulsorily Convertible Debentures (“CCDs”) were converted into Optionally Convertible Debentures ("OCDs")

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. ‘Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV’s which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022. Refer Note 48 for details with respect to business combinations.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

45 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Group’s primary business segment is reflected based on principal business activities carried on by the Group i.e. building, operating and management of road projects and all other related activities which as per IndAS 108 on ‘Operating Segments” is considered to be the only reportable business segment. The Group derives its major revenues from operation and maintenance of highways. The Group is operating in India which is considered as a single geographical segment.

46 Group information

(a) Information about subsidiary

The Group’s details as at 31 March 2023 is set out below. Unless otherwise stated, they have equity capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	County of incorporation	% equity Interest*	
			As at 31 March 2023	As at 31 March 2022
DBCPL	Construction and operation of road including toll collection/ annuity collection	India	100.00%	NA
JPEPL		India	100.00%	NA
GEPL		India	100.00%	NA
UEPL		India	100.00%	NA
NBL		India	100.00%	NA
SEPL		India	100.00%	NA

* refer note 47(a)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

47 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

Name of Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated comprehensive income
Parent								
Highways Infrastructure Trust	9,979.45	227.75%	839.90	245.60%	-	0.00%	839.91	244.95%
Subsidiary								
DBCPL	671.45	15.32%	1,020.41	298.38%	0.05	5.58%	1,020.46	297.61%
	[1894.15]	[487.10%]	[238.00]	[53.08%]	[0.07]	[(30.33%)]	[238.07]	[53.12%]
NBL	(230.97)	(5.27)%	(243.95)	(71.33)%	(0.02)	(2.33)%	(243.97)	(71.15)%
	[322.75]	[83.00%]	[130.49]	[29.10%]	[0.02]	[(9.26%)]	[130.51]	[29.12%]
JPEPL	(1,952.44)	(44.56)%	(134.10)	(39.21)%	0.27	29.68%	(133.84)	(39.03)%
	[(1436.30)]	[(369.36%)]	[0.54]	[0.12%]	[0.08]	[(33.80%)]	[0.61]	[0.14%]
GEPL	(3,583.37)	(81.78)%	(630.10)	(184.25)%	0.39	43.52%	(629.71)	(183.65)%
	[(2718.99)]	[(699.22%)]	[(123.80)]	[(27.61%)]	[0.05]	[21.66%]	[(123.75)]	[(27.61%)]
UEPL	(651.39)	(14.87)%	(427.76)	(125.08)%	0.09	9.86%	(427.67)	(124.73)%
	[2,035.60]	[523.48%]	[82.76]	[18.46%]	[(0.47)]	[203.62%]	[82.29]	[18.36%]
SEPL	148.93	3.40%	(82.41)	(24.10)%	0.12	13.69%	(82.29)	(24.00)%
	[291.64]	[75.00%]	[120.39]	[26.85%]	[0.02]	[(8.57%)]	[120.41]	[26.87%]
Total	**4,381.66**	**100.00%**	**341.99**	**100.00%**	**0.90**	**100.00%**	**342.89**	**100.00%**
	[388.86]	**[100.00%]**	**[448.38]**	**[100.00%]**	**[(0.23)]**	**[100.00%]**	**[448.15]**	**[100.00%]**

Note:-1 Figures in [ ] brackets are previous year figures.

Note:-2 Figures in ( ) brackets are negative figures.

(All amounts in ₹ millions unless otherwise stated)

48 Business Combination

a) Acquisitions of subsidiaries during the year ended 31 March 2023

Highways Infrastructure Trust ('the Trust') acquired the following companies (Project SPV's) as at 23 August 2022 :

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

(ii) Nirmal BOT Limited ("NBL")

(iii) Jodhpur Pali Expressway Private Limited ("JPEPL")

(iv) Godhra Expressways Private Limited ("GEPL")

(v) Ulundurpet Expressways Private Limited ("UEPL") (vi) Shillong Expressway Private Limited ("SEPL"),

During the current period, the Trust acquired the SPVs (as stated above) which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022 for an equity consideration of **₹ 31,715.33 millions.** Galaxy Investments II Pte Limited had earlier acquired "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" on 17 December 2021 and "SEPL" on 13 January 2022.

Pursuant to IND AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and project SPV's are ultimately controlled by Galaxy Investments II Pte Limited both before and after the acquisition. Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has prepared comparative financial information for period 03 December 2021 to 31 December 2021 as if the acquisition had occurred on 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" and 13 January 2022 for "SEPL", irrespective of the actual date of the combination which is 23 August 2022 and the difference between the purchase consideration and the value of net identifiable assets acquired has been adjusted with the "Amalgamation Adjustment Deficit Account" in other equity.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Statement showing number of units allotted to Galaxy Investment II Pte. Ltd. ('sponsor') in exchange of control of (Project SPV's):

Name of SPVs	Description	Net Assets	Purchase consideration	Number of units allotted
UEPL	Units of the Trust	2,645.52	3,004.95	30,049,464
JPEPL	Units of the Trust	0.62	3,863.25	38,632,547
NBL	Units of the Trust	315.00	354.41	3,544,114
GEPL	Units of the Trust	233.81	11,167.09	111,670,920
DBCPL	Units of the Trust	1.00	12,969.36	129,693,587
SEPL	Units of the Trust	5.00	356.27	3,562,683
		3,200.95	**31,715.33**	**317,153,315**

b) The details of recognised amounts of identifiable net assets of the business combination are as follows as at 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" and 13 January 2022 for "SEPL":

Particulars	DBCPL	GEPL	JPEPL	NBL	SEPL	UEPL	Total
Non-current assets							
Property, plant and equipment	18.16	9.94	17.03	10.21	2.56	13.36	71.26
Capital work-in-progress	-	-	15.37	-	-	-	15.37
Intangible assets	3,666.79	8,057.32	3,925.10		0.00	4,879.49	20,528.70
Financial assets							
Investment		306.00	-	-	-	-	306.00
Others	0.53	0.49	1.01	1,133.11	418.83	2.38	1,556.35
Deferred tax assets (net)	113.38	-	-	-	-	-	113.38
Non-current tax assets (net)	-	-	-	16.93	-	8.44	25.37
Other non-current assets	-	-	-	-	-	0.37	0.37
Total non-current assets	**3,798.86**	**8,373.75**	**3,958.51**	**1,160.25**	**421.39**	**4,904.04**	**22,616.80**
Current assets							
Financial assets							
Investments	927.46	-	64.87	150.61	240.11	575.57	1,958.62
Trade receivables	3.20	-	27.50	0.05	-	16.09	46.84
Cash and cash equivalents	8.89	486.26	5.21	0.95	2.75	10.22	514.28
Bank balances other than cash and cash equivalents above	233.50	138.32	242.65	14.47	505.74	394.92	1,529.60
Others	2.62	3.53	1.64	508.29	240.80	0.17	757.06
Other current assets	25.83	8.33	10.80	8.67	6.64	28.80	89.07
Current tax assets (net)	28.14	22.18	4.91	-	16.45	-	71.68
Total current assets	**1,229.64**	**658.62**	**357.57**	**683.04**	**1,012.50**	**1,025.77**	**4,967.14**
Total assets	**5,028.50**	**9,032.37**	**4,316.08**	**1,843.29**	**1,433.89**	**5,929.81**	**27,583.94**

(All amounts in ₹ millions unless otherwise stated)

Particulars	DBCPL	GEPL	JPEPL	NBL	SEPL	UEPL	Total
EQUITY							
Other equity	1,655.08	(2,829.05)	(1,437.53)	(122.76)	166.23	(692.21)	(3,260.24)
Total equity	**1,655.08**	**(2,829.05)**	**(1,437.53)**	**(122.76)**	**166.23**	**(692.21)**	**(3,260.24)**
Non-current liabilities							
Financial liabilities							
Borrowings	2,759.60	3,995.59	2,503.96	1,063.30	444.79	2,930.79	13,698.03
Other financial liabilities	-	1,115.96	164.20			0.24	1,280.40
Provisions	2.00	23.65	4.52	0.39	0.82	242.38	273.76
Deferred tax liabilities (net)	-	861.37	142.62	-	-	-	1,003.99
Total non-current liabilities	**2,761.60**	**5,996.57**	**2,815.32**	**1,063.69**	**445.60**	**3,173.41**	**16,256.19**
Current liabilities							
Financial liabilities							
Borrowings	106.17	5,167.38	2,436.60	500.80	790.67	712.70	9,714.32
Trade payables							
Due to micro and small enterprises	-	-	-	0.08	-	-	0.08
Due to others	0.23	42.90	9.27	44.83	1.34	0.28	98.85
Other financial liabilities	58.03	302.18	78.97	36.95	24.87	61.80	562.80
Other current liabilities	1.83	1.24	1.46	0.31	0.11	3.96	8.91
Provisions	444.56	117.34	411.37	0.03	0.06	24.35	997.71
Current tax liabilities (net)	-			4.36			4.36
Total current liabilities	**610.82**	**5,631.04**	**2,937.68**	**587.36**	**817.05**	**803.09**	**11,387.04**
Total liabilities	**3,372.42**	**11,627.61**	**5,752.99**	**1,651.05**	**1,262.65**	**3,976.50**	**27,643.22**
Total equity and liabilities	**5,027.50**	**8,798.56**	**4,315.47**	**1,528.30**	**1,428.88**	**3,284.29**	**24,382.99**
Net assets acquired	**1.00**	**233.81**	**0.62**	**315.00**	**5.00**	**2,645.52**	**3,200.95**

c) Calculations of Amalgamation Adjustment Deficit

Particulars	DBCPL	GEPL	JPEPL	NBL	SEPL	UEPL	Total
Purchase consideration	12,969.36	11,167.09	3,863.25	354.41	356.27	3,004.95	31,715.33
Less: Net assets acquired	1.00	233.81	0.62	315.00	5.00	2,645.52	3,200.95
Amalgamation Adjustment Deficit	**12,968.36**	**10,933.28**	**3,862.64**	**39.42**	**351.27**	**359.43**	**28,514.38**

The above numbers have been calculated using the Project SPVs Special Purpose financial statement for the period 01 April 2021 to 17 December 2021, (in case of all SPVs except SEPL) and 13 January 2022 (in case of SEPL)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

49 Financial ratios

Sl. No.	Particulars	Numerator	Denominator	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022	% Changes*	Remarks
				Ratio	Ratio		
(a)	Current ratio (in times)	Current assets	Current liabilities	2.47	1.68	47%	Increase in ratio mainly due to repayment of current portion of borrowings and redemption/withdrawan of investment during the current year.
(b)	Debt equity ratio (in times)	Non-current borrowings + Current borrowings	Total equity	3.37	59.84	-94%	Decrease in ratio is mainly due to increase in Unit capital on account of Issue of Units of the trust during the current year.
(c)	Debt service coverage ratio (in times)	Profit before tax, finance costs	Finance costs + Principal repayment for borrowings	0.20	0.40	-50%	Decrease in ratio is mainly due to increase in finance cost in comparison to preceding period
(d)	Return on equity ratio (in %)	Net profit after tax	Average of total equity	0.14	2.31	-94%	Decrease in ratio is mainly due to increase in Unit capital on account of Issue of Units of the trust during the current year.
(e)	Inventory turnover ratio (in times)**	Cost of material consumed	Average inventory	NA	NA	0%	Not applicable.
(f)	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	328.47	100.59	227%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year revenue pertains to entire 12 months

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Numerator	Denominator	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022	% Changes*	Remarks
(g)	Trade payables turnover ratio (in times)	Other expenses	Average trade payables	4.97	2.33	114%	The increase is because in the comparative period other expenses is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year other expenses pertains to entire 12 months
(h)	Net capital turnover ratio (in times)	Revenue from operations	Working capital [current assets - current liabilities]	3.20	0.84	283%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year revenue pertains to entire 12 months
(i)	Net profit ratio (in %)	Profit after tax	Revenue from operations	5.56%	-23.90%	-77%	The decline is because of decrease in profits during the year, majorly due to modiifcation loss on annuity on account of change in estimates and increase other expenses of the Trust.
(j)	Return on capital employed (in %)	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.19	0.06	225%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year earning before depreciation and amortization, interest and tax pertains to entire 12 months

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Numerator	Denominator	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022	% Changes*	Remarks
(k)	Interest service coverage ratio (in times)	Profit before tax, finance costs, exceptional items and depreciation and amortization expenses	Finance cost	1.97	1.99	-1%	Not required, since the changes in ratio is below threshold limit of 25%.
(l)	Net worth	Unit capital + Other equity		4,381.66	388.86	1027%	The change is due to issue of unit capital to unitholders pursuant to acquisition of subsidiaries by Trust.
(m)	Return on investment (in %)						
	- On mutual funds	Income generated from mutual fund investments	Time weighted average investments	0.09	0.03	219%	The increase is because in the comparative period income from mutual funds is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year income from mutual funds pertains to entire 12 months
	- On fixed deposits	Income generated from investments	Time weighted average investments	0.06	0.02	182%	The increase is because in the comparative period income on fixed deposits is taken from 03 December 2021 to 31 March 2022 i.e from the date on which Trust was formed whereas the current year income on fixed deposits pertains to entire 12 months

Notes:

*The change in ratio is less than 25% as compared to previous year and hence, no explanation required.

**The Group does not have any Inventory, Therefore, Inventory turnover ratio is not applicable

(All amounts in ₹ millions unless otherwise stated)

50 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019. Accordingly, the financial information for the corresponding period in immediately preceding financial year ended 31 March 2023 is given from 03 December 2021 to 31 March 2022.

51 The consolidated financial information for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 as reported in these consolidated financial statement have been certified by the Investment Manager of the Trust and are not subject to audit or review.

52 The Board of Directors of the Investment Manager have declared distribution of ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,010.00 millions, ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,009.98 millions and ₹ 4.8376 (rounded off) per unit amounting to ₹ 2,010.02 millions in their meeting held on 11 November 2022, 08 February 2023 and 08 March 2023 respectively and the aforesaid distribution was paid to eligible unitholders on 19 November 2022, 15 February 2023 and 18 March 2023 respectively. Subsequent to year end 31 March 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.2 millions in their meeting held on 19 May 2023.

53 During the current year ended 31 March 2023, pursuant to the approval dated 22 November 2022 granted by the Securities and Exchange Board of India ("SEBI") and the approval of the unitholders of the Trust as required under Regulation 9(15) of the InvIT Regulations obtained from the unitholders in the extraordinary general meeting held on 14 November 2022, Highway Concessions One Private Limited ("HC 1") and HC One Project Manager Private Limited ("HC One") was appointed as the new Investment Manager and Project Manager of the Trust respectively in place of Virescent Infrastructure Investment Manager Private Limited ("erstwhile Investment Manager") and Virescent Renewable Energy Project Manager Private Limited ("erstwhile Project Manager"). The appointment of the new Investment Manager was also approved by the Board of erstwhile Investment Manager of the Trust vide its circular Resolution dated 19 October 2022. Consequently, Highway Concessions One Private Limited and HC One Project Manager Private Limited have been acting as the new Investment Manager and Project Manager of the Trust effective from 23 November 2022 and 14 November 2022 respectively.

54 During the current year ended 31 March 2023, three of the project SPV's Viz. GEPL, DBCPL and UEPL has filed the petition with the Hon'ble National Company Law Tribunal , Mumbai Bench ('NCLT') for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders NCLT admission order has been received for the applications in GEPL,DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's. The final order for approving the capital reduction scheme in DBCPL was received on 27 February 2023 however, final order for approving the capital reduction scheme is awaited in GEPL and UEPL. Accordingly, the necessary impacts on account of capital reduction in DBCPL have been considered in these audited consolidated financial statements for the year ended 31 March 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONTD.)

(All amounts in ₹ millions unless otherwise stated)

55 Project manager and Investment manager fees

(i) Project management fees

Pursuant to the Project Management Agreement dated 08 August 2022 with the erstwhile Project Manager i.e Virescent Renewable Energy Project Manager Private Limited, Project Manager was entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ Nil (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) towards project manager fees paid to Virescent Renewable Energy Project Manager Private Limited who was Project Manager till 13 November 2022. Subsequently pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022 , project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis , or on such other shorter basis as may be mutually agreed ,to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statement for the year ended 31 March 2023 includes amount of ₹ 53.55 Million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) toward project manager fees paid to HC One Project Manager Limited who is appointed as Project Manager w.e.f 14 November 2022.

(ii) Investment management fees

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ 2.36 Million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs') in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ 109.25 million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) towards Investment Manager Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.

56 Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended 31 March 2023.

(iii) The Trust has not advanced or loaned or invested funds to any other person(s) or enitity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Unlimate Beneficiaries) or - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(All amounts in ₹ millions unless otherwise stated)

(iv) The Trust has not advanced or loaned or invested funds to any other person(s) or enitity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: - Directly or indirectly lend or invest in other persons or entties identified in any manner whatsoever ny or on behlaf of the Trust (Unlimate Beneficiaries) or - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vi) The Group does not have any transactions with struck - off companies, other than disclosed (refer note 21 (iv))

(vii) The Group has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.

57 The consolidated financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on 19 May 2023.

58 All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.

59 Previous year figures have been reclassified/regrouped wherever necessary to confirm to current year classification. The impact of the same is not material to the user of the consolidated financial statements.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023

For and on behalf of the Board of Directors of
Highway Concessions One Private Limited
(acting as Investment Manager to Highways Infrastructure Trust)

Kunjal Shah
Compliance officer
ACS No. A27382

Place: Mumbai
Date: 19 May 2023

Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Place: Mumbai
Date: 19 May 2023

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

NOTICE OF THE FIRST ANNUAL GENERAL MEETING

NOTICE is hereby given that the First Annual General Meeting ("**AGM**") of the Unitholders ("**Unitholders**") of Highways Infrastructure Trust (the "**Trust**") will be held on Friday, July 21, 2023 at 10:30 a.m. (IST) through Video Conferencing ('**VC**')/ Other Audio-Visual Means ('**OAVM**') without the physical presence of the Unitholders and the deemed venue for the meeting shall be at the principal place of business of the Trust, in accordance with the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**") read with SEBI circular bearing reference no. SEBI/HO/DDHS/DDHS_Div2/P/CIR/2023/14 dated January 12, 2023 (the "**SEBI Circular**") and other relevant circulars issued by SEBI in this regard, from time to time, to transact the businesses mentioned below: -

ORDINARY BUSINESS:

ITEM NO. 1:

TO CONSIDER AND ADOPT AUDITED STANDALONE FINANCIAL STATEMENTS AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023 TOGETHER WITH THE REPORT OF THE AUDITORS THEREON AND THE REPORT ON PERFORMANCE OF THE TRUST.

To consider and if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of a resolution are required to be more than the votes cast against the resolution) in terms of Regulation 22 of SEBI InvIT Regulations.

"RESOLVED THAT pursuant to the applicable provisions, if any, of the SEBI (Infrastructure Investment Trust) Regulations, 2014 and the circulars, clarifications, notifications, and guidelines issued thereunder, and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of Highways Infrastructure Trust (the "**Trust**") as at and for the financial year ended March 31, 2023 together with the Report of the Auditors and the report on the performance of the Trust be and are hereby approved and adopted."

"RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and Company Secretary and Compliance Officer of Highway Concessions One Private Limited (the "**Investment Manager**") be and are hereby severally authorised on behalf of the Trust to inform all concerned, in such form and manner as may be required or is necessary and also to execute such agreements, letters and other writings in this regard, including delegation of all, or any of these powers and to do all acts, deeds, things, and matters as may be required or are necessary to give effect to this resolution or as otherwise considered by the Board of Directors, to be in the best interest of the Trust, as it may deem fit."

ITEM NO. 2:

TO CONSIDER AND ADOPT THE VALUATION REPORT OF THE ASSETS OF HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

To consider and if thought fit, to pass with or without modification(s), to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution) in terms of Regulation 22 of the SEBI InvIT Regulations.

"**RESOLVED THAT** pursuant to Regulations 13, 21, 22 and Schedule V of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time, read with circulars and guidelines issued thereunder and other applicable provisions, if any, (including any statutory modification or reenactment thereof for the time being in force), the Valuation Report of Highways Infrastructure Trust (the "**Trust**") for the financial year ended March 31, 2023 issued by Mr. S. Sundararaman, Registered Valuer IBBI (Registration no.: IBBI/RV/06/2018/10238) as an Independent Valuer for the Trust as on May 12, 2023 providing for the assets of the Trust, be and is hereby approved and adopted."

ITEM NO. 3:

TO RATIFY THE APPOINTMENT AND REMUNERATION OF THE VALUER OF THE HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR 2022-23.

To ratify the appointment and remuneration of Mr. S. Sundararaman, Registered Valuer IBBI (Registration no.: IBBI/RV/06/2018/10238) as the Independent Valuer of the Trust for the financial year 2022-23 and, if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution by unit holders, so entitled and voting) in terms of regulation 22 of the SEBI InvIT Regulations.

"RESOLVED THAT pursuant to the provisions regulations 10(5), 22 and other applicable provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder ("**SEBI InvIT Regulations**") (including any statutory modification or re-enactment thereof, for the time being in force) and in accordance with the Appointment of Auditor and Valuer Policy of Highways Infrastructure Trust (the "**Trust**"), the appointment

NOTICE (CONTD.)

of Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number IBBI/RV/06/2018/10238) as the Valuer of the Trust and its Project Special Purpose Vehicles (SPVs) for the financial year 2022-23, who had confirmed their eligibility to be appointed as the Valuer in terms of provisions of the SEBI InvIT Regulations on such terms and conditions as is or may be mutually agreed by and between the Highway Concessions One Private Limited (the Investment Manager) and the Valuer, be and is hereby ratified."

"RESOLVED FURTHER THAT the each director, Chief Financial Officer and Company Secretary and Compliance Officer or Ms. Meghana Singh, authorized signatory or Mr. Praveen Kumar, authorized signatory of Highway Concessions One Private Limited (the "**Investment Manager**") is hereby jointly and severally authorized to inform all regulatory, statutory and governmental authorities, as may be required under applicable laws, and in such form and manner as may be required or necessary and also to execute such agreements, letter and other writings and to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Investment Manager to be in the best interest of the Trust."

ITEM NO. 4:

TO CONSIDER AND APPROVE THE APPOINTMENT OF VALUER OF THE HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR 2023-24 AND FIX THEIR REMUNERATION.

To consider and appoint Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number IBBI/RV/06/2018/10238), as the Independent Valuer of the Trust for the financial year 2023-24 and, if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution by unit holders, so entitled and voting) in terms of regulation 22 of the SEBI InvIT Regulations.

"RESOLVED THAT pursuant to the provisions of Regulations 10(5), 22 and other applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time, read with circulars and guidelines issued thereunder and other applicable provisions, if any, ("**SEBI InvIT Regulations**") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Appointment of Auditor and Valuer Policy of Highways Infrastructure Trust (the "**Trust**"), Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number IBBI/RV/06/2018/10238), who have confirmed their eligibility to be appointed as the Valuer of the Trust and its Project Special Purpose Vehicles (SPVs) for the financial year 2023-24, in terms of provisions of the SEBI InvIT Regulations, on such terms and conditions, including at such remuneration as may be mutually agreed by and between the Highway Concessions One Private Limited (the Investment Manager) and the Valuer, be and is hereby approved."

"RESOLVED FURTHER THAT each of the directors, Chief Financial Officer and Company Secretary and Compliance Officer or Ms. Meghana Singh, authorized signatory or Mr. Praveen Kumar, authorized signatory of Highway Concessions One Private Limited (the "**Investment Manager**") is hereby jointly and severally authorized to finalize the terms and conditions of the aforesaid appointment, including remuneration, in consultation with the Valuer and to inform all regulatory, statutory and governmental authorities, as may be required under applicable laws, and in such form and manner as may be required or necessary and also to execute such agreements, letter and other writings and to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Investment Manager to be in the best interest of the Trust, as it may deem fit."

ITEM NO. 5:

TO CONSIDER THE RATIFICATION AND APPROVAL OF APPOINTMENT OF AUDITORS FOR THE 5 (FIVE) CONSECUTIVE YEARS COMMENCING FROM FY 2022-23 TILL FY 2026-27 AND FIX THEIR REMUNERATION.

To consider the appointment of M/s. Walker Chandiok & Co LLP (ICAI Firm Registration Number: 001076N/N500013) as the Auditors of the Highways Infrastructure Trust (the "**Auditor**") for a period of not more than 5 (five) years from FY 2022-23 till FY 2026-27, and, if thought fit, to pass with or without modifications(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution) in terms of Regulation 22(4) and other applicable provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended.

"RESOLVED THAT pursuant to the provisions of Regulations 10(5), 10(6), 10(6A), 10(6B), 13, 22 and other applicable provisions of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 read with circulars and guidelines issued thereunder ("**SEBI InvIT Regulations**") (including any statutory modification or reenactment thereof, for the time being in force) and in accordance with the Appointment of Auditor and Valuer Policy of Highways Infrastructure Trust (the "**Trust**"), the appointment of M/s. Walker Chandiok & Co LLP (ICAI Firm Registration Number: 001076N/N500013) (appointed in consultation with Axis Trustee Services Limited) as the statutory auditors for the Trust for the Financial Year 2022-23 on such terms and conditions, including

NOTICE (CONTD.)

fees, as decided by the Board of Directors of the Investment Manager, be and is hereby considered and ratified"

"**RESOLVED FURTHER THAT** pursuant to the provisions of Regulations 10(5), 10(6), 10(6A), 10(6B), 13, 22 and other applicable provisions of the SEBI InvIT Regulations read with circulars and guidelines issued thereunder (including any statutory modification or reenactment thereof, for the time being in force) and in accordance with the Appointment of Auditor and Valuer Policy of the Trust, the appointment of M/s. Walker Chandiok & Co LLP (ICAI Firm Registration Number: 001076N/N500013) (appointed in consultation with Axis Trustee Services Limited) as the statutory auditors for the Trust for a period of Five Years, commencing from the Financial Year 2022-23 till the Financial Year 2026-27 on such terms and conditions, including fees, as decided by the Board of Directors of the Investment Manager, be and is hereby considered, ratified and approved."

RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and Company Secretary and Compliance Officer of Highway Concessions One Private Limited (the Investment Manager) be and are hereby severally authorised on behalf of the Trust to inform all concerned, in such form and manner as may be required or is necessary and also to execute such agreements, letters and other writings in this regard, including delegation of all, or any of these powers and to do all acts, deeds, things, and matters as may be required or are necessary to give effect to this resolution or as otherwise considered by the Board of Directors, to be in the best interest of the Trust as it may deem fit."

For **Highways Infrastructure Trust**

By Order of the Board
Highway Concessions One Private Limited
(as the Investment Manager of Highways Infrastructure Trust)

Sd/-
Kunjal Shah
Company Secretary and Compliance Officer
Monday, June 26, 2023
Place: Mumbai

Principal Place of Business and Contact Details of the Trust:
Highways Infrastructure Trust
2nd Floor, Piramal Tower, Peninsula Corporate Park,
Lower Parel, Mumbai 400 013
SEBI Registration Number: IN/InvIT/21-22/0019
Tel: +91 75063 33447
E-mail: Compliance.highwaysinvit@highwayconcessions.com
Website: www.highwaystrust.com
Compliance Officer: Ms. Kunjal Shah

Registered Office and Contact Details of the Investment Manager:
Highway Concessions One Private Limited
Unit No. 316-317, 3rd Floor, C Wing, Kanakia Zillion,
BKC Annex, Kurla West, Mumbai City 400 070
CIN: U45200MH2010PTC208056
Email Id: Compliance.highwaysinvit@highwayconcessions.com
Contact Person: Ms. Kunjal Shah

NOTES:

1. Pursuant to Regulation 22(3)(a) of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**") read with SEBI circular bearing reference no. SEBI/HO/DDHS/DDHS_Div2/P/CIR/2023/14 dated January 12, (the "**SEBI Circular**") and other relevant circulars issued by SEBI in this regard, from time to time, the First Annual Meeting ('**AGM**') of the Trust is being held through Video Conferencing ('**VC**') or Other Audio Visual Means ('**OAVM**') which does not require the physical presence of the Unitholders at a common venue, subject to the fulfilment of conditions as specified in the relevant circulars issued thereunder. In compliance with the aforesaid, unitholders can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the principal place of business of the Trust.
2. The explanatory statement stating all material facts and the reasons for the proposed resolution is annexed herewith.
3. The Trust is providing an e-voting facility to the Unitholders for the transaction enlisted in the Notice. Therefore, the detailed instructions for e-Voting are attached as "**Annexure- I**" to this Notice.
4. Since this AGM is being held pursuant to the SEBI Circular through VC / OAVM, physical attendance of Unitholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Unitholders will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Investment Manager on behalf of the Trust has engaged the services of M/s. Link Intime India Private Limited ("**Link Intime**"), the Registrar and Transfer Agent ("**RTA**") of the Trust for the purpose of providing a remote e-voting facility to the Unitholders.

NOTICE (CONTD.)

6. Ms. Deepti Kulkarni (Certificate of Practice No. 22502), failing her Mr. Omkar Dindorkar (Certificate of Practice No. 24580)- Partners of M/s MMJB & Associates LLP., Practising Company Secretaries ("**Scrutinizer**") is appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

7. Only those Unitholders whose names are recorded in the Register of Beneficial Owners maintained by the Depositories as on the close of business hours on cut-off date i.e. Monday, June 26, 2023 will be entitled to cast their votes.

8. Only those Unitholders, who will be present in the AGM through VC/ OAVM facility and have not cast their vote on resolutions through a remote e-Voting and are otherwise not barred from doing so, may cast their vote during the AGM through the e-Voting system in the AGM.

9. The Unitholders who have cast their vote by remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.

10. The voting rights of Unitholders shall be in proportion to their Units of the Unit capital of the Trust as on the cut-off date i.e. Monday, June 26, 2023.

11. Wherever required or possible, the Unitholders are requested to address all correspondence including distribution matters to the RTA by e-mail to ganesh.jadhav@linkintime.co.in or to the Company Secretary and Compliance officer of the Trust by e-mail to Compliance.highwaysinvit@highwayconcessions.com

12. Institutional Unitholders (i.e. other than individuals, HUF, NRI etc.) who are voting through their authorized signatory(ies) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies), to the RTA by e-mail to Compliance.highwaysinvit@highwayconcessions.com. It is also requested to upload the same in the e-voting module in their login.

13. In line with the aforementioned SEBI Circulars, the Notice calling the AGM is being sent only through electronic mode to those Unitholders whose e-mail addresses are registered /available with the Depositories/Trust and the Notice can also be accessed from the website of the Trust: www.highwaystrust.com as well Stock exchange on which the units of the Trust are listed and also disseminated on the website of NSDL and CDSL .

14. All the documents referred to in the accompanying notice, shall be available for inspection through electronic mode, basis the request being sent to the Company Secretary and Compliance officer of the Trust by e-mail to Compliance.highwaysinvit@highwayconcessions.com

15. The Unitholders can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time for commencement of AGM and after the commencement of AGM by following the procedure mentioned in the Notice. The facility for participation at the AGM through VC/OAVM will be made available for all Unitholders. The detailed instructions for joining the Meeting through VC/OAVM forms part of the Notes to this Notice.

16. The attendance of the Unitholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum.

17. The Results declared along with Scrutinizer's Report(s) will be available on the website of the Trust (www.highwaystrust.com) and on Service Provider's website (www.instavote.linkintime.co.in) within two (2) days of passing of the resolutions and communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

18. The Securities and Exchange Board of India (the "**SEBI**") has mandated the submission of a Permanent Account Number ("**PAN**") by every participant in the securities market. Unitholders are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

19. Unitholders who have not registered their email address so far are requested to register their email address for receiving all communication including annual reports, notices, circulars etc. from the Investment Manager, on behalf of the Trust, electronically.

EXPLANATORY STATEMENT

The following statement set out the material facts and reasons for the proposed resolution stated in the accompanying notice above:

ITEM NO. 3 AND 4

TO RATIFY THE APPOINTMENT AND REMUNERATION OF THE VALUER OF THE HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR 2022-23.

TO CONSIDER AND APPROVE THE APPOINTMENT OF VALUER OF THE HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR 2023-24 AND FIX THEIR REMUNERATION.

Under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**SEBI InvIT Regulations**"), a valuer

NOTICE (CONTD.)

is required to be appointed to carry out valuation of the assets of Highways Infrastructure Trust ("**Trust**"). For this purpose, the 'valuer' means any person who is a "**Registered Valuer**" under section 247 of the Companies Act, 2013 or as specified by SEBI from time to time. Further, Highway Concessions One Private Limited, the investment manager of the Trust ("**Investment Manager**") has also adopted a policy entitled "Appointment of Auditor and Valuer Policy" ("**Policy**"). In accordance with the applicable provisions of the InvIT Regulations and the Policy, the Investment Manager, in consultation with Axis Trustee Services Limited (in its capacity as the trustee to the Trust), has appointed Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number IBBI/RV/06/2018/10238), as Valuer of the Trust and all its Project SPVs for the financial year 2022-23.

A brief profile of Mr. S. Sundararaman, Registered Valuer is as follows:

Mr. S. Sundararaman is a fellow member of the Institute of Chartered Accountants of India ("**ICAI**"), graduate member of the Institute of Cost and Works Accountants of India, Information Systems Auditor (DISA of ICAI), and has completed the post qualification certification courses of ICAI on IFRS and Valuation.

Mr. S. Sundararaman is a registered Insolvency Professional and a Registered Valuer for Securities/ Financial Assets, having been enrolled with the Insolvency and Bankruptcy Board of India ("**IBBI**") after passing the respective examinations. He possesses more than 29 years of experience in servicing large and medium sized clients in the areas of corporate advisory including strategic restructuring, governance, acquisitions and related valuations, and tax implications apart from audit and assurance Services. He is a partner at Haribhakti & Co. LLP. He regularly provides valuation services to various InvITs across India.

Under Regulation 22 of the SEBI InvIT Regulations, the Investment Manager is required to obtain the approval from the Unitholder for appointment of valuer at the annual general meeting of the Unitholders.

Accordingly, under Item No 3 of the accompanying Notice, the Unitholders are requested to ratify the appointment of Mr. S. Sundararaman as the valuer of the Trust for the financial year 2022-2023, and under Item No. 4 of the accompanying Notice, the Unitholders are requested to approve the appointment of Mr. S. Sundararaman as the valuer of the Trust for the financial year 2023-2024 at a renumeration as determined by the board of directors on the Investment Manager. .

The Investment Manager recommends the resolutions as set out in the Notice for your approval by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution).

ITEM NO 5:

TO CONSIDER THE RATIFICATION AND APPROVAL OF APPOINTMENT OF AUDITORS FOR THE 5 (FIVE) YEARS COMMENCING FROM FY 2022-23 TILL FY 2026-27 AND FIX THEIR REMUNERATION.

Unitholders are requested to note that pursuant to Regulation 10 of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**"), Highway Concessions One Private Limited, acting in its capacity as the Investment Manager ("**Investment Manager**") of Highways Infrastructure Trust (the "**Trust**") in consultation with Axis Trustee Services Limited (in its capacity as the trustee to the Trust), had appointed M/s. Walker Chandlok & Co LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013), as the Auditors of the Trust for a period of 5 (Five) years commencing from the financial year 2022-23 till 2026-27, in accordance with the policy of "Appointment of Auditor and Valuer Policy".

Under Regulation 22 of the SEBI InvIT Regulations, the Investment Manager is required to obtain the approval from the Unitholder for appointment of auditor at the annual general meeting of the Unitholders.

Since the units of the Trust are listed on the National Stock Exchange of India Limited since August 25, 2022, this meeting is considered as the First AGM of the Trust.

In view of the above, under Item No. 5 of the accompanying Notice, approval of the unitholders is sought for the ratification for appointment of M/s. Walker Chandlok & Co LLP as the auditor of the Trust for Financial Year 2022-2023, and for approval for appointment of M/s. Walker Chandlok & Co LLP as the auditor of the Trust for a period of five years, commencing from the Financial Year 2022-23 till the Financial Year 2026-27 at a remuneration to be determined by the Board of Directors of the Investment Manager.

The Investment Manager recommends the resolution by way of simple majority as set out in Item No. 5 of this Notice for approval of the Unitholders.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

As per the SEBI circular dated December 9, 2020, individual unitholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

NOTICE (CONTD.)

Login method for Individual unitholders holding securities in demat mode is given below:

1. **Individual Unitholders holding securities in demat mode with NSDL:**

   Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

   If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

   Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Unitholders/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. **Individual Unitholders holding securities in demat mode with CDSL:**

   Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

   After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

   If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

   Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. **Individual Unitholders (holding securities in demat mode) login through their depository participants.**

   You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual unitholders holding securities in physical form/ Non-Individual Unitholders holding securities in demat mode is given below:

Individual Unitholders of the company, holding shares in physical form / Non-Individual Unitholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

Open the internet browser and launch the URL: https://instavote.linkintime.co.in

1. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

NOTICE (CONTD.)

A. **User ID:** Unitholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Unitholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Unitholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Unitholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Unitholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Unitholders holding shares in **NSDL form, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit.'**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit.'** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes,'** else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional unitholders:

Institutional unitholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Helpdesk for Individual Unitholders holding securities in physical mode/ Institutional unitholders:

Unitholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Unitholders holding securities in demat mode:

Individual Unitholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Unitholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Unitholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

NOTICE (CONTD.)

Individual Unitholders holding securities in Physical mode has forgotten the password:

If an Individual Unitholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the unitholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case unitholders is having valid email address, Password will be sent to his / her registered e-mail address. Unitholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Unitholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Unitholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Unitholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For unitholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, unitholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in
   - ► Select the **"Company"** and **'Event Date'** and register with your following details: -
     - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
       - Unitholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
       - Unitholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
       - Unitholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
     - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
     - C. **Mobile No.:** Enter your mobile number.
     - D. **Email ID:** Enter your email id, as recorded with your DP/ Company.
   - ► Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Unitholders/ Members to Speak during the Annual General Meeting through InstaMeet:

Unitholders who would like to speak during the meeting must register their request 3 days in advance with the company on the email id of the Compliance Officer i.e. Kunjal.shah@highwayconcessions.com.

Unitholders will get confirmation on first cum first basis depending upon the provision made by the client.

Unitholders will receive "speaking serial number" once they mark attendance for the meeting.

Other unitholder may ask questions to the panellist, via active chat-board during the meeting.

Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Unitholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

NOTICE (CONTD.)

Instructions for Unitholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, unitholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Unitholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit.'
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against.'
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Unitholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Unitholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Unitholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Unitholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Unitholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case unitholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

HIGHWAYS
INFRASTRUCTURE TRUST

OUR OFFICES

Mumbai
HIGHWAYS INFRASTRUCTURE TRUST
(Principal Place of Business) 2nd Floor,
Piramal Tower, Peninsula Corporate Park, Lower Parel,
Mumbai 400 013, Maharashtra, India.

+91 7506333447
Compliance.highwaysinvit@highwayconcessions.com

Investment Manager
HIGHWAY CONCESSIONS ONE PRIVATE LIMITED
Unit No. 316-317, 3rd Floor,
C Wing, Kanakia Zillion, BKC Annex, Kurla West,
Mumbai 400 070, Maharashtra.

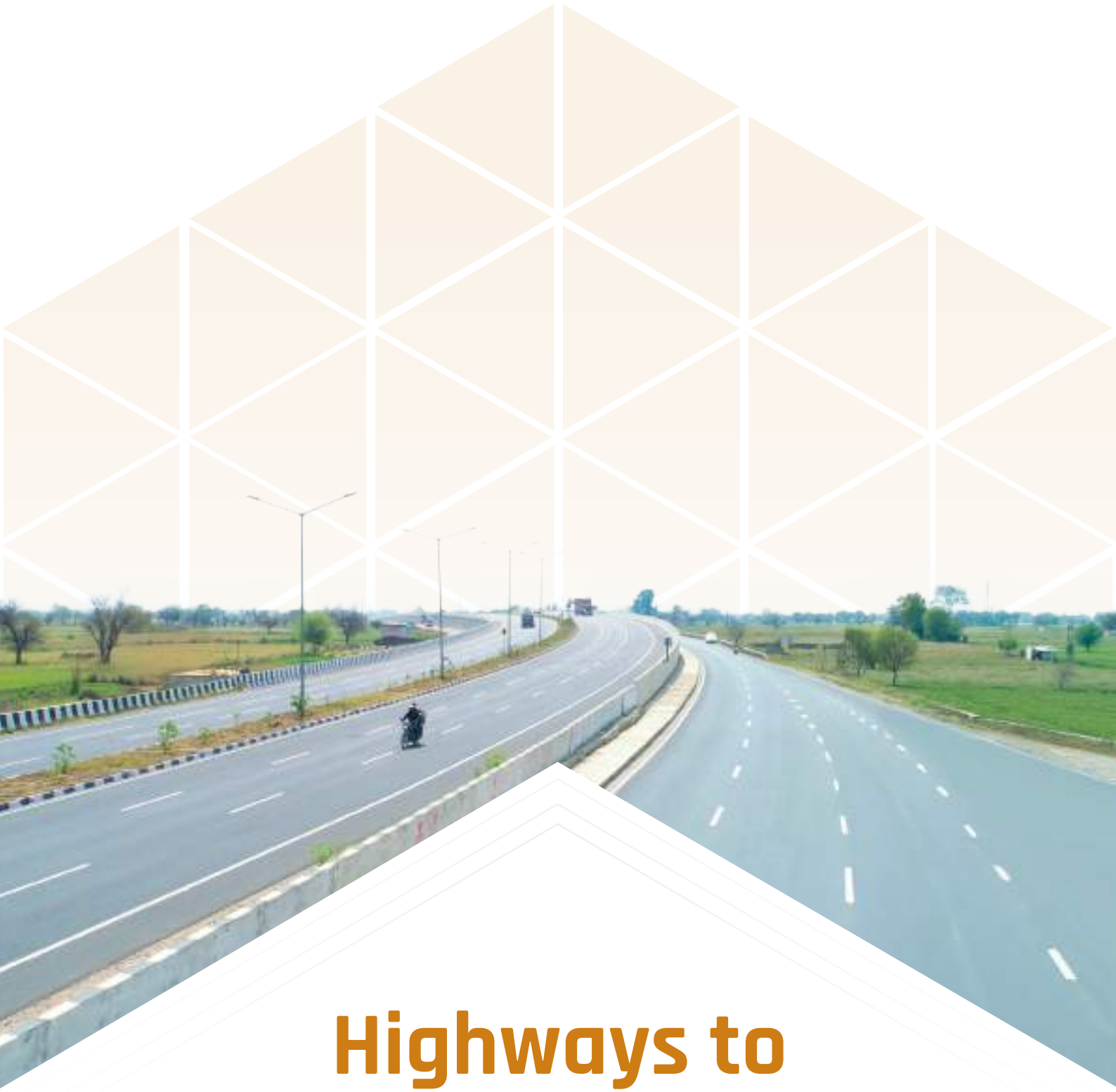
Compliance.highwaysinvit@highwayconcessions.com

Project Manager
HC ONE PROJECT MANAGER PRIVATE LIMITED
Unit No. 316-317, 3rd Floor,
C Wing, Kanakia Zillion, BKC Annex, Kurla West,
Mumbai 400 070, Maharashtra.

Compliance.highwaysinvit@highwayconcessions.com



HIGHWAYS
INFRASTRUCTURE TRUST



Highways to Sustainable Growth

Annual Report 2023-24

Navigating Through the Report

01-15 Introduction

1 From the CEO's Desk
2 Introducing Highways Infrastructure Trust
3 Vision and Mission Statement
4 Performance Assessment and Future outlook
10 Financial Year 2024 - A Year of Transformative Growth
12 Key Performance Metrics
14 Stakeholder Management for Sustainable Success

16-25 Corporate Overview

16 About Highways Infrastructure Trust (HIT)
18 Board Members
22 Management Team
24 HIT's Journey So Far

26-43 Portfolio Overview

26 Our Asset Portfolio – Expanding Footprint across India
28 Detailed Asset Overview: Highway Projects and Characteristics
42 Awards and Accolades

44-62 Environment, Social, and Governance

44 Introduction
46 Environment: Green Initiatives Paving the Way for Sustainable Roads
51 Our Social Responsibility
56 CSR: Trust's Responsibility towards the Communities
60 Governance: Upholding Integrity and Transparency
62 Integrating Technology for Enhanced Efficiency and Security

63-68 Management Reports

63 Management Discussion and Analysis
68 Investment Managers Brief Report on Activities of the Trust

69-150 Statutory Reports

69 Report on Corporate Governance
97 Summary of Valuation Reports
99 Changes During the Year
112 Policies of the Board of Directors of the Investment Manager in Relation to Trust
115 Risk Factors
134 Unit Price Performance and Distribution
136 Legal Proceedings and Material Litigations
142 Related Party Transactions
143 Credit Ratings and Investor Relations
144 Other Mandatory Disclosures
149 Secretarial Audit Report

151-321 Financial Statements

151 Audited Standalone Financial Statements
210 Audited Consolidated Financial Statements

322-330 Notice of 2nd AGM

331-332 Corporate Information

Scan this QR code to navigate to the investor-related information.

For more information about the Company, please visit:

https://highwaystrust.com/#

Investor Information	
SEBI Registration Number	IN/InvIT/21-22/0019
ISIN	INE0KXY23015
NSE Code	HIGHWAYS
Script Code	974227, 974228, 975333 & 725795
AGM Date	Thursday, July 25, 2024

Disclaimer :

This document contains statements about expected future events and financials of Highways Infrastructure Trust InvIT, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

From the CEOs' Desk

As we celebrate our first full year during which we doubled the Assets Under Management (AUM), we extend our deepest gratitude to the unitholders, employees, regulators, lenders and all stakeholders. Your unwavering belief in our vision and steadfast support have been the cornerstone of the Trust's growth journey. At Highways Infrastructure Trust, we are committed to consistent value creation, building a premier and sustainable yield platform. Thank you for being an integral part of the our success story.



Mr. Gaurav Chandna
Executive Director
and Joint CEO

Dr. Zafar Khan
Joint CEO

Introducing Highways Infrastructure Trust

One of India's fastest growing highways platforms

Highways Infrastructure Trust ('HIT' or the 'Trust') was established in 2021 and listed in August 2022 with the mission of democratising ownership of transportation infrastructure across India. In its first full year of operations the Trust has more than doubled its AUM to ₹ 102 Bn. This success is built upon the foundation of our rich operational expertise, unwavering dedication towards our stakeholders, and accretive acquisition capabilities supported by transparency and governance.

These factors have enabled the Trust to deliver sustainable, predictable, and superior risk-adjusted returns through stable cash flows generated from its diverse portfolio of Toll, HAM and Annuity assets, backed by the Trust's AAA rating.



https://youtu.be/LXbzLxiZ1FA

Scan this QR code to navigate to our corporate video

Vision

To be the preferred InvIT vehicle in India, specialising in transportation infrastructure. We aspire to become the partner of choice for all our stakeholders while being committed to adhering to best practices in compliance, operations, financial management and environmental sustainability.

Mission

- Reaching AUM milestone of ₹ 300-400 Bn.
- Focussing on Time-Weighted Rate of Return (TWRR) while maintaining a stable distribution per unit (DPU).
- Acquiring high-quality, returns accretive assets.
- Prioritising safety and environmental, social, and governance (ESG) standards.
- Leveraging technology to optimise operational efficiency and elevate asset performance.



Performance Assessment and Future Outlook

In this new chapter, my primary focuss will be on ensuring a seamless transition, maintaining the momentum we have built, and steering HIT towards new heights. I am fortunate to have a talented and dedicated team that shares my commitment to our vision and values. Together, we will continue to build on our successes, embracing innovation and striving for excellence in everything we do.



Dear Stakeholders,

As we conclude a remarkable year marked by significant milestones, I am pleased to present the Trust's Annual Report for 2023-24. This report chronicles the Trust's extraordinary journey over the past year and allows me to share the vision for the future of HIT. It also highlights our financial achievements, strategic initiatives, and the innovative approaches we have adopted to remain competitive and forward-looking in the ever-evolving InvIT space. Additionally, it provides a comprehensive view of our operations, market dynamics, and our efforts to enhance our portfolio strength.

Transitioning Roles: A New Chapter Begins

As I step into the role of Joint CEO along with Zafar, I do so with a profound appreciation for the Trust and confidence our Board of Directors and stakeholders have placed in us. My tenure as of Head, Strategic Finance for HIT has equipped me with a deep understanding of our projects, our markets, and the strategic levers we can pull to drive growth. This experience will be invaluable as I take on this new role.

In this new chapter, my primary focuss will be on ensuring a seamless transition, maintaining the momentum we have built, and steering HIT towards new heights. I am fortunate to have a talented and dedicated team that shares my commitment to our vision and values. Together, we will continue to build on our successes, embracing innovation and striving for excellence in everything we do.

Reflecting on a Year of Growth and Achievement

The past year has been transformative for HIT. Our primary focuss over the last year has been to expand our asset base, diversify our portfolio, and enhance our capacity to generate stable, long-term returns for our investors. I am pleased to report that we have successfully acquired 8 projects and as a result our AUM increased from ₹ 54 Bn to ₹ 102 Bn.

These acquisitions have been meticulously planned, are aligned with our philosophy and with a keen eye on value creation and risk management. Our robust due diligence processes and disciplined investment approach have ensured that each transaction enhances our portfolio's quality and growth potential.

During the year, we ventured into the Hybrid Annuity Model (HAM) by acquiring operational projects from HG Infra. This strategic pilot acquisition paved the way for definitive agreements with PNC Infratech, where we signed definitive documents for additional Eleven HAM projects and one BOT Toll project. Once consummated, this will be one of the largest acquisitions in the highways sector, with an enterprise value of approximately ₹ 90 Bn.

These acquisitions have firmly established us as one of the fastest-growing highways InvIT in the country.

We strongly believe that our success is not just measured by the assets we acquire, but by how well we integrate and manage them. Over the past year, we have focussed on optimising the performance of our existing and newly acquired assets. This involved implementing best-in-class operational practices, leveraging technology to improve efficiency, and investing in our people to ensure we have the skills and expertise needed to drive our business forward.

Moreover, we have also concentrated on strengthening our relationships with key stakeholders, including local communities, government bodies, and industry partners. This involves active engagement and collaboration to ensure our projects not only meet but exceed regulatory and societal expectations. By building trust and fostering positive relationships, we are better positioned to navigate the complexities of the infrastructure sector and drive long-term value



Our vision for HIT is to become one of the leading and most trusted infrastructure investment Trust in the industry.

creation.

Financial Performance

Our financial performance this year has been outstanding, showcasing the resilience of our portfolio and the effectiveness of our management strategies. During the fiscal year, HIT distributed greater than ₹ 11 Bn to our unitholders, which was an impressive 67% increase over the previous fiscal. Cumulatively, we distributed ₹ 32.77 per unit since listing in August 2022. Our toll projects continue to witness robust traffic growth, having delivered 11.6% revenue growth over previous fiscal year.

Along with our growth objectives, we maintained a strong balance sheet with Net Debt to AUM ratio of approximately 36% while also maintaining AAA rating. Comfortable leverage and liquidity position provides us ample headroom for growth.

We remain committed to delivering value to all our stakeholders, ensuring that our financial health remains robust while pursuing strategic opportunities for expansion and innovation. In addition, we have been proactive in managing our financial risks through prudent capital management and disciplined investment strategies. We have also implemented rigorous financial controls and risk management practices to safeguard our assets and ensure long-term stability. These measures have been instrumental in maintaining investor confidence and positioning HIT as a reliable and resilient player in the InvIT space.

Vision to be the Leading and Most Trusted InvIT

Our vision for HIT is to become one of the leading and most trusted infrastructure investment trusts in the industry. Trust is the foundation of our business. We are committed to maintaining the highest standards of transparency and governance in all our operations. Achieving this vision will require a steadfast commitment to our core values, a relentless focuss on execution, and a willingness to adapt and innovate in response to changing market conditions.

Strategic Vision for the Future

Looking ahead, my strategic vision for our InvIT is sustainable growth centred around five core pillars: growth, sustainability, innovation, stakeholder engagement and organisational value system.

- **Sustained Growth through Strategic Investments**

  We will continue to pursue opportunities that enhance our portfolio's diversity and resilience with keen focuss on attractive risk-adjusted returns. Our approach will remain disciplined and focussed on long-term value creation. We will also continue to leverage our expertise and relationships to identify and secure high-quality assets that can deliver stable and sustainable returns.

- **Commitment to Sustainability**

  Sustainability is at the heart of our investment philosophy. We recognise that our responsibility extends beyond generating financial returns; we must also contribute positively to the environment and society. Our recent initiatives resulting in reduction of Scope 1 and 2 carbon emissions in the current portfolio is just the beginning. We will continue to integrate environmental, social, and governance (ESG) considerations into our investment decisions, ensuring that we support projects that promote sustainability and social well-being.



- **Driving Innovation**

  Innovation is a key driver of our future success. We are focussed and committed to use technology to enhance the performance and efficiency of our assets. This includes implementing SAP for financial controls, adopting digital solutions for asset management and utilising data analytics to inform decision-making. By fostering a culture of innovation, we will remain at the forefront of the industry, continuously improving our capabilities and offering superior returns to our investors.

- **Stakeholder Engagement**

  We recognise that our success is built on strong relationships with our stakeholders, including investors, employees, partners, and the communities in which we operate. We will continue to engage with our stakeholders through regular communication, collaboration, and consultation. By understanding their needs and priorities, we can better align our strategies and actions to deliver shared value. This approach involves fostering open dialogue and transparency, ensuring that stakeholders are well-informed and actively involved in our decision-making processes.

- **Organisational Culture and Values**

  Our organisational culture and values underpin everything we do. Upholding the highest standards of integrity and ethical conduct in all our operations is paramount. We foster a culture of collaboration and inclusivity, ensuring that every employee feels valued and empowered to contribute to our collective success. This includes investing in the development of our employees, promoting diversity and inclusion, and creating a work environment that supports their well-being and professional growth.

  As on end of the fiscal year, HIT's gender diversity in Highways Concessions One Pvt. Ltd. (Investment Manager) and HC One Project Manager Pvt. Ltd. (PM) stood at 18%. We have set internal goals to improve our diversity ratio in the near term. We are also in the process of revamping the current DE&I policy in the current year, in order to formalise our endeavours in ensuring promotion of equitable diversity across functions.

  By following these five core pillars, we are building pathways to long-term value creation, fostering positive environmental and social impact, driving continuous innovation, and strengthening stakeholder relationships. This comprehensive approach ensures our journey towards sustainable growth, guided by an inclusive, ethical culture, and positions us for a resilient and prosperous future.

Conclusion

As we reflect on our achievements over the past year and look forward to the future, I am filled with optimism and excitement. Our journey is just beginning, and the opportunities ahead of us are vast. With a clear strategic vision, a commitment to sustainability, and a relentless focuss on innovation, I am confident that we will continue to deliver exceptional value to our stakeholders.

I am grateful for your unwavering support and trust. Together, we will navigate the challenges and seize the opportunities that lie ahead, ensuring the continued growth and success of HIT.

I extend heartfelt thanks to our regulators, sponsors, unitholders, lenders, rating agencies and vendors for their unwavering support. I also wish to express gratitude to my fellow Board members and our dedicated employees for their tireless efforts. Your backing and trust fuel our determination as we chart our course for the future with a clear vision.

Warm regards,

Mr. Gaurav Chandna
Executive Director and Joint CEO



Performance Assessment and Future Outlook

At HIT, excellence and governance are not just aspirations, but guiding principles. Throughout 2023-24, our dedicated team has tirelessly upheld the highest standards of governance, quality, safety, and reliability across all facets of our operations.



Dear Stakeholders,

I am delighted to present to you our Annual Report for the financial year ending as on 31 March 2024, showcasing the significant milestones and achievements of Highways Infrastructure Trust (HIT). As we navigate the dynamic landscape of India's infrastructure sector, I take pride in our continuous growth and impactful leadership within the industry, positively influencing the communities we serve.

At HIT, excellence and governance are not just aspirations, but guiding principles. Throughout 2023-24, our dedicated team has tirelessly upheld the highest standards of governance, quality, safety, and reliability across all facets of our operations. From acquiring new assets to maintaining roads to the highest standards and implementing traffic management and safety measures, our unwavering commitment to excellence has been the foundation of our success.

Innovation lies at the heart of our business strategy. In 2023, we embraced emerging technologies and digital solutions to revolutionise road asset management. We introduced a Business Intelligence tool named 'PULSE' for live revenue reporting from each BOT project.

Additionally, our GPS-based asset management tool, 'RAMP', optimised asset performance, reduced maintenance costs, and enhanced operational efficiency. Another significant innovation was the remote operation of complete revenue collection via a handheld device, optimising manpower and increasing safety for employees while providing faster transactions for road users at revenue collection points.

As custodians of the environment, we acknowledge the importance of sustainable practices in all our endeavours. From adopting eco-friendly construction materials to implementing energy efficient processes, we are committed to minimising our environmental impact and fostering a greener future like seen in our recent maintenance endeavour in Ulunderpet.

We are proud to have published our inaugural sustainability report, 'Touching Lives', the first of its kind for any road InvIT in India. Furthermore, we remain steadfast in our commitment to corporate social responsibility, actively supporting initiatives that empower local communities through skill centres and promote road safety across our corridors.

We are proud to have published our inaugural sustainability report, 'Touching Lives', the first of its kind for any road InvIT in India.

Read more on: https://highwaystrust.com/esg/

I extend my heartfelt gratitude to our employees, whose dedication and hard work have been instrumental in our success. I also express my appreciation to our clients, partners, and stakeholders for their unwavering support and trust in our capabilities. Together, we have achieved remarkable milestones, and I am confident that, with our collective efforts, we will continue to drive progress and create value for all.

As we embark on another year filled with growth challenges and opportunities, I am excited about the journey ahead and the endless possibilities awaiting us. With confidence in our collective capabilities, I believe we will overcome obstacles, realise our vision, and leave a lasting legacy of excellence in India's road asset management landscape.

Warm regards,

Dr. Zafar Khan
Joint Chief Executive Officer

Financial Year 2024
A Year of Transformative Growth

Reflecting on the past year, the Trust's progress has been significant. From managing 6 project stretches as of 2022-23, we have expanded to 14 project stretches by 2023-24. This growth underscores the disciplined acquisition strategy, characterised by meticulous due diligence, strategic diversification, and continuous evaluation of our acquisition pipeline.

Key Highlights

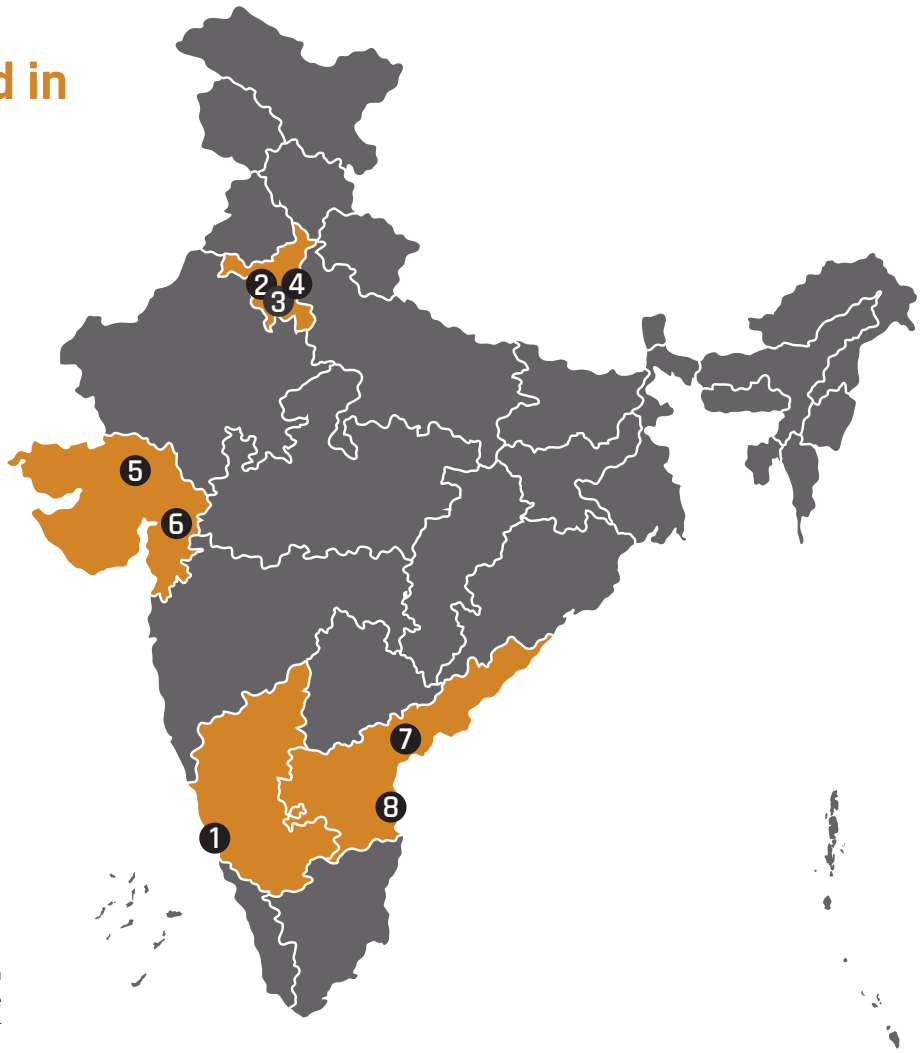
Growth in key statistics from Financial year 2023-24

₹ 54 Bn AUM	₹ 102 Bn AUM
1,712 Lane Kms	3,435 Lane Kms
6 Projects	14 Projects
6 States	9 States

Project Stretches acquired in 2023-24

Sr No.	Project	No of Lanes	Asset Type	Start	End	Kms
1	Udupi Tollway Private Limited (UTPL)	4	Toll	Kundapur	Surathkal	90.3 Kms
2	Ateli Narnaul Highway Private Limited (ANHPL)	4/6	HAM	Ateli Mandi	Narnaul	40.8 Kms
3	Gurgaon Sohna Highway Private Limited (GSHPL)	6	HAM	Bhondsi	Sohna	12.8 Kms
4	Rewari Ateli Highway Private Limited (RAHPL)	4	HAM	Maha Kharia, Rewari	Ateli Mandi	30.4 Kms
5	Gujarat Road Infrastructure Company Limited - Ahmedabad Mehsana section (GRICL-AM)	4	Toll	Ahmedabad	Mehsana	51.6 Kms
6	Gujarat Road Infrastructure Company Limited - Vadodara Halol Section (GRICL-VH)	4	Toll	Vadodara	Halol	31.7 Kms
7	Swarna Tollway Private Limited - Nandigama Ibrahimpatnam Section (STPL-NI)	4	Toll	Nandigama	Vijayawada	49.2 Kms
8	Swarna Tollway Private Limited - Tada Nellore Section (STPL-TN)	4	Toll	Tada	Nellore	110.8 Kms

Map of Project Stretches acquired in the 2023-24



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes.

(Note: GRICL and STPL have two project stretches housed under each SPV each)

Key Performance Metrics

14 Road Projects with **870** Kms **3,435** Lane Kms under Management

91% AUM Growth

15 Years of Operational History for Toll Assets

₹ 15,966 Mn Revenue from Operations in 2023-24*

*Considering full year of revenue of all the acquired assets.

9 States Presence

11.6% of Revenue Growth from Toll Operations*

*Considering full year revenue of all the past and acquired toll assets

₹ 102 Bn of Assets Under Management (AUM)

₹ 32.77 per Unit Distribution Since Listing

₹ 27 Bn of Equity Raise Since Listing

Fortifying Financial Foundations

HIT's Leveraging and Borrowing Strategy

HIT's leveraging and borrowing strategy is crafted to balance growth with preserving financial stability. This approach allows the Trust to manage liquidity efficiently, ensuring sufficient resources are available to meet its obligations while seizing growth opportunities.



- Well-diversified borrowing mix from banks, NBFCs, and mutual funds
- Longest available facility with a tenor of 16 years
- Mix of Repo, MCLR and Fixed rate borrowings
- Strategically structured repayment schedule, including bullet repayments

- 'AAA/Stable' rating from Crisil and India Ratings
- Net Debt to AUM of 35.8% giving ample headroom for growth

Stakeholder Management for Sustainable Success

In today's interconnected business landscape, effective stakeholder management is crucial for driving long-term growth and creating shared value. By cultivating strong relationships with key stakeholders, the Trust can align interests, leverage collective expertise, and unlock new opportunities for collective benefit.



HIT's Initiatives



Lender Conference

The 'Highways to Prosperity – Leveraging Investments in the Road Sector' conference aimed to strengthen relationships with current and prospective lenders. The event facilitated discussions on strategic investments, future plans, and encouraged collaboration between HIT and its financial partners, aligning their vision for growth in the road sector.

HC1 Partnership Meet

The 'Together We Grow – Together We Shine' Partnership Meet fostered collaboration among contractors, consultants, and designers. With around 100 participants from 26 partner organisations, the event emphasised shared values, HSE culture, safety expectations, and recognised outstanding HSE performance.





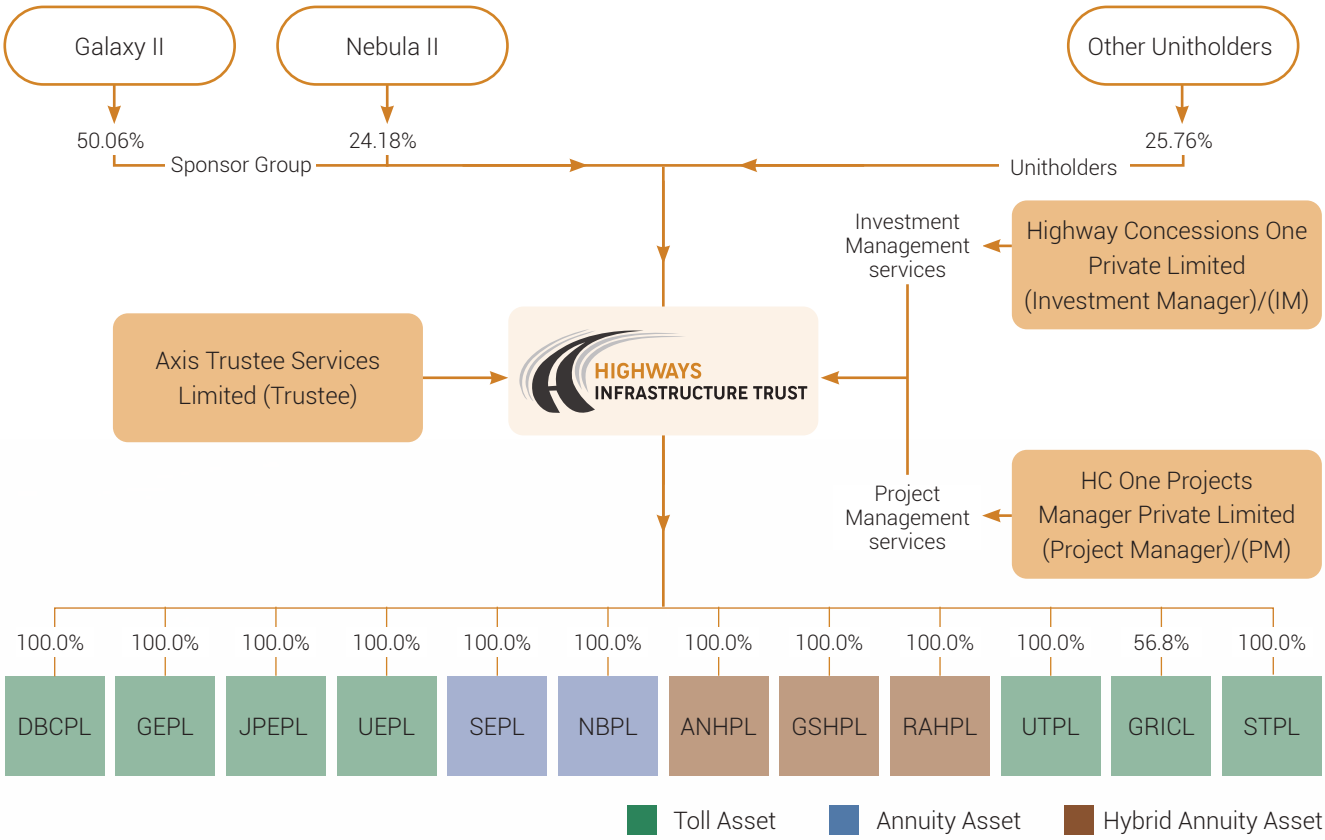
Annual Company Offsites

HIT organises yearly offsite events for employees at the head office and project sites to strengthen bonds and foster camaraderie. These events provide an opportunity for employees and their families to connect in a relaxed environment, nurturing lasting friendships beyond professional relationships.

About Highways Infrastructure Trust (HIT)

Highways Infrastructure Trust (HIT) stands as India's premier infrastructure investment trust (InvIT) in the roads and highways sector. HIT has one of the most extensive asset portfolios, comprising 14 Project Stretches with a total length of 3435 lane Kms across 9 states. HIT is dedicated to generating long-term value for the investors, aiming to deliver consistent returns while fostering the growth and development of India's highway infrastructure.

HIT is sponsored by Galaxy Investments II Pte. Limited (the 'Sponsor'). The Sponsor is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. As on date, the Sponsor was a 100% subsidiary of Galaxy Investments Pte. Limited, which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Limited.



HIT: Highways Infrastructure Trust, DBCPL: Dewas Bhopal Corridor Private Limited, GEPL: Godhra Expressways Private Limited, JPEPL: Jodhpur Pali Expressway Private Limited, UEPL: Ulundurpet Expressways Private Limited, SEPL: Shillong Expressway Private Limited, NBPL: Nirmal BOT Private Limited, ANHPL: Ateli Narnaul Highway Private Limited, GSHPL: Gurgaon Sohna Highway Private Limited, RAHPL: Rewari Ateli Highway Private Limited, UTPL: Udupi Tollway Private Limited, GRICL: Gujarat Road And Infrastructure Company Limited, STPL: Swarna Tollway Private Limited

Sponsor

Galaxy Investments II Pte. Limited is the Sponsor of the Trust. The Sponsor is a 100% subsidiary of Galaxy Investments Pte. Limited, which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Limited. The Sponsor is crucial to setting up the Trust, transferring infrastructure assets, ensuring regulatory compliance, and making initial investments.

Investment Manager

Highway Concessions One Private Limited ('Investment Manager') is the Investment Manager of HIT with effect from November 22, 2022. The Investment Manager oversees asset and investment decisions, ensures regulatory compliance, manages unit issuance and transfers, and leads specialised teams in various areas including asset management, M&A, and finance.

Project Manager

HC One Project Manager Private Limited ('Project Manager') is the Project Manager of HIT since November 14, 2022, appointed pursuant to the project management agreement entered into amongst the Project Manager, the Trustee, and the Investment Manager. The Project Manager oversees compliance with InvIT Regulations, liaises with government agencies, mitigates risks for the Trust, and ensures that the project SPVs comply with laws.

Trustee

Axis Trustee Services Limited is the Trustee of HIT. The Trustee is a registered intermediary with Securities and Exchange Board of India (SEBI) under the SEBI (Debenture Trustees) Regulations, 1993, as a debenture trustee since January 31, 2014.



Board Members

For the Trust, governance serves as a cornerstone of its operations, ensuring transparency, accountability, and ethical conduct. The Board of Directors, composed of experienced professionals, oversees the strategic direction and risk management practices. HIT prioritises transparency and adheres to strict disclosure norms, providing timely and accurate information to shareholders and regulatory bodies. Upholding high ethical standards, HIT enforces a code of conduct that guides its employees and executives.



Mr. Hardik Bhadrik Shah
Non-Executive Director

Mr. Hardik Shah has been a Non-Executive Director on the Board of the Investment Manager since December 17, 2021. He brings extensive experience and expertise in infrastructure investments to his role. Throughout his career, Mr. Shah has been involved in transactions totaling approximately USD 5 Bn in India. His portfolio includes investments in telecom towers, toll roads, airports, energy transportation, and renewable energy sectors.

Mr. Shah joined KKR in 2018 and serves as a Partner in the Asia-Pacific Infrastructure team, focussing on infrastructure investments in South Asia. Prior to KKR, he spent over a decade at Macquarie Group, where he played a key role in establishing and growing their India infrastructure business across Sydney and Mumbai. Subsequently, he led Brookfield's India business, overseeing the establishment of its team and operations. Mr. Shah holds a Postgraduate degree from S. P. Jain Institute of Management and Research, Mumbai, and is a CFA Charterholder. His deep understanding of infrastructure sectors and extensive transaction experience make him a valuable asset to the Investment Manager's Board.



Ms Ami Momaya
Non-Executive Director

Ms. Ami Momaya has served as a Non-Executive Director on the Board of the Investment Manager since January 24, 2022.

Ms. Momaya joined KKR in 2022 as a senior member of the Asia-Pacific Infrastructure team, focussing on infrastructure investments in India. She began her career at Morgan Stanley, where she spent 17 years across their India and New York offices. At Morgan Stanley's Infrastructure Fund, Ms. Momaya played a pivotal role in building their India infrastructure business, leading transactions in transportation, logistics, and renewable energy sectors. Ms. Momaya's tenure at Morgan Stanley's Investment Banking Division in New York involved engagements in buyouts, mergers and acquisitions (M&A), initial public offerings (IPOs), and financing across services, outsourcing, and payment processing sectors.

Ms. Momaya holds a Bachelor's degree in Commerce from Mumbai University and a Postgraduate degree from Narsee Monjee Institute of Management Studies, Mumbai.





Mr. Gaurav Chandna

Executive Director and Joint CEO

Mr. Gaurav Chandna has been serving as an Executive Director on the Board of the Investment Manager since April 1, 2024.

Mr. Chandna played a pivotal role in establishing the InvIT and has been instrumental in driving substantial growth in AUM over the last two years. Prior to his current role, he was the Head of Strategic Finance, where he effectively oversaw critical functions such as M&A, fundraising, investor relations, and FP&A. With nearly two decades of experience spanning the infrastructure, logistics, and industrial sectors, Gaurav brings a wealth of expertise to the Trust.

Before his tenure at Highway Concessions One Pvt. Ltd. he garnered invaluable experience in the Corporate Finance Group at Piramal Capital and the investment banking unit of IDFC Capital. Gaurav holds a Bachelor of Technology degree in Civil Engineering from the Indian Institute of Technology (BHU) Varanasi and an MBA from the Faculty of Management Studies (FMS), University of Delhi.



Mr. Janakiraman Subramanian

Independent Director

Mr. Janakiraman Subramanian has served as an Independent Non-Executive Director on the Board of the Investment Manager since March 04, 2022.

Mr. Janakiraman's career spans over 30 years with significant expertise in road and airport infrastructure sectors, particularly in privatisation and InvIT platforms. Mr. Subramanian spent around 20 years with the Airports Authority of India and the Government, playing a crucial role in major airport privatisation programmes. He was instrumental in setting up the InvIT platform at IDPL, a L&T group company, where he successfully monetised 5 road Projects and oversaw the acquisition of 8 additional assets. In 2018, he was appointed CEO of the L&T-sponsored InvIT, attracting major investments from Canadian and German funds.

Mr. Subramanian holds a Bachelor's degree in Commerce from Delhi University. He is an Associate Member of ICMAI (Institute of Cost Accountants of India) and a certified Independent Director by the Indian Institute of Corporate Affairs.





Mr. Manish Agarwal
Independent Director

Mr. Manish Agarwal has served as an Independent Non-Executive Director on the Board of the Investment Manager since September 14, 2022.

With a career spanning over 25 years, Mr. Manish Agarwal has made significant contributions across energy, transport, and urban infrastructure sectors in India. Mr. Agarwal actively shares his insights through articles, discussion papers, and as a co-founder of AskHowIndia.org. He also contributes to academia, teaching infrastructure policy and project finance at esteemed institutions such as IIM Kozhikode, IIMC, and BITSOM. He began his career at CRISIL, advising developers, financiers, governments, and regulators on private sector infrastructure investment. He later served as the infrastructure sector leader at KPMG and PwC, where he represented India on PwC's Global Capital Projects and Infrastructure Network.

Mr. Agarwal is an alumnus of BITS Pilani and IIM Calcutta, with additional training from ISB, Harvard, and INSEAD.



Ms. Sudha Krishnan
Independent Director

Ms. Sudha Krishnan has been an Independent Non-Executive Director on the Board of the Investment Manager since September 14, 2022.

Her career spans nearly four decades with a distinguished background in public policy and finance. Ms. Krishnan joined the Indian Audit and Accounts Service in 1983. She retired as Member Finance to the Space Commission and Atomic Energy Commission, bringing extensive experience in managing finance and public administration roles at senior levels.

During her career, Ms. Krishnan has held diverse portfolios at the Ministry of Finance, including handling World Bank projects and serving as a financial advisor to the Ministry of Urban Development. Her tenure at the Comptroller and Auditor General's office involved leading and coordinating the production of significant audit reports. As Principal Director (International Cooperation), she advised and implemented international obligations for the CAG.

Ms. Krishnan holds a Master's in Public Administration from George Mason University, Virginia.





Mr. Rajesh Kumar Pandey
Independent Director

Mr. Rajesh Kumar Pandey has served as an Independent Non-Executive Director on the Board of the Investment Manager since May 16, 2024.

With a career spanning several decades in civil engineering and highway infrastructure, he joined the Ministry of Road Transport & Highways in 1986 and retired as Additional Director General. Mr. Pandey held various critical roles, including Deputy Secretary (Finance), and served at different levels within the NHAI.

With over seven years as a Member at NHAI, he significantly contributed to project preparations, approvals, contract implementations, conciliation, and procurement processes. He actively participates in the Indian Roads Congress and serves on committees for code-making authorities. Mr. Pandey is a fellow member of the Institute of Engineers, Vice President of the International Road Federation (IRF), and a member of ING-IABSE.

He graduated in Civil Engineering from Government Engineering College, Jabalpur, in 1983 and completed his post-graduation from Maulana Aazad College of Technology, Bhopal.



Stefano Ghezzi
Nominee Director

Mr. Stefano Ghezzi has served as a Nominee Director on the Board of the Investment Manager since May 16, 2024. He has a robust background in finance and economics, with over 10 years of experience in investing and managing private infrastructure companies, particularly in toll roads and other infrastructure projects.

Mr. Ghezzi joined Ontario Teachers' Pension Plan (OTPP) in August 2017, where he is a Director in the Infrastructure & Natural Resources Division in Singapore. He is responsible for identifying and managing investment opportunities in private infrastructure.

Before joining OTPP, Mr. Ghezzi worked with leading financial institutions, including Citi, Commerzbank AG, and UniCredit. His roles in these organisations involved significant responsibilities in finance, investment banking, and economic analysis.

Mr. Ghezzi holds a Master of Science degree in Finance and Economics from Warwick Business School and a Bachelor of Science degree in Economics from Università Cattolica del Sacro Cuore, Milan.

Management Team



Mr. Gaurav Chandna
Executive Director and Joint CEO

Mr. Gaurav Chandna has been serving as an Executive Director on the Board of the Investment Manager since April 1, 2024.

Mr. Chandna played a pivotal role in establishing the InvIT and has been instrumental in driving substantial growth in AUM over the last two years. Prior to his current role, he was the Head of Strategic Finance, where he effectively oversaw critical functions such as M&A, fundraising, investor relations, and FP&A. With nearly two decades of experience spanning the infrastructure, logistics, and industrial sectors, Gaurav brings a wealth of expertise to the Trust.

Before his tenure at Highway Concessions One Pvt. Ltd. he garnered invaluable experience in the Corporate Finance Group at Piramal Capital and the investment banking unit of IDFC Capital. Gaurav holds a Bachelor of Technology degree in Civil Engineering from the Indian Institute of Technology (BHU) Varanasi and an MBA from the Faculty of Management Studies (FMS), University of Delhi.



Dr. Zafar Khan
Joint CEO

Dr. Khan has played a pivotal role in establishing the InvIT, under his strategic leadership, the Trust has seen significant advancements in project execution efficiency, safety standards, and innovative infrastructure solutions. Before taking on the role of Joint CEO, Dr. Khan served as the Chief Operating Officer of the Investment Manager for over three years.

With over two decades of experience in heavy civil construction, project management, and operations in the infrastructure and oil & gas sectors, Dr. Khan currently serves as Vice President of the Association of Road Investment Companies (HOAI). His career includes key roles at Peak Infrastructure, G4S PLC, Leighton India, Hindustan Construction Company (HCC), and Nagarjuna Construction Company, covering projects in 6 countries.

Dr. Khan has completed a Doctorate from APS University in 'Air Pollution' and holds a Diploma in Construction Safety Management from NICMAR. He also has an MBA from Deakin University, Australia.





Mr. Abhishek Chhajer
Chief Financial Officer

Mr. Abhishek Chhajer has been the Chief Financial Officer of the Investment Manager since January 1, 2024.

Mr. Chhajer's expertise includes managing business growth, turnarounds, large-scale debt transactions, mergers and acquisitions, business control, governance, and compliance. He excels in financial planning and analysis, automation, credit rating, investor relations, regulatory compliance, secretarial duties, and audit oversight.

With over 18 years of experience in finance and strategy, Mr. Chhajer has worked across sectors such as metal & mining and airport management. Before joining Highway Concessions, he was the CFO of Mumbai International Airport Limited (Adani Group) from March 2021. Prior to this, he served at Vedanta Group as Deputy CFO and Chief Commercial Officer (CCO) of the Steel Business.

Mr. Chhajer is a qualified Chartered Accountant from ICAI and holds a commerce degree from the University of Jodhpur.



Ms. Meghana Singh
General Counsel

Ms. Meghana Singh has over nineteen years of experience in legal and compliance roles across complex sectors in multiple jurisdictions, she brings extensive expertise in managing both contentious and non-contentious issues.

Ms. Meghana has held leadership roles in the infrastructure and financial services sectors. Her notable positions include Group General Counsel with IL&FS during the debt resolution of the group, where she managed legal issues across all verticals and worked with the government-appointed board of directors. Before joining Highway Concessions One Private Limited, Meghana managed the legal and compliance function at Virescent, focussing on renewable energy assets in India.

Ms. Meghana is an alumna of the National Law Institute University, Bhopal, where she pursued her BA LLB (Hons).

HIT's Journey So Far

HIT's growth trajectory has been characterised by strategic acquisitions, diversification, and a proactive pursuit of opportunities. Its commitment to excellence and a forward-thinking approach have led to significant expansion in a relatively short period, laying the foundation for sustained growth and value creation.



2021
December
KKR acquired 100% stake in 6 project SPVs from GIP through Galaxy Investments II Pte. Limited (Sponsor Entity), with AUM of ₹ 58 Bn

2022
August
Transfer of assets from Sponsor to InvIT on August 24, 2022, and listing of the Trust's units

2023
March
Definitive agreements signed to acquire UTPL from Navayuga Engineering Company Limited and Navayuga Road Projects Private Limited

2023
May
Definitive agreements signed for the acquisition of HG Infra Engineering Limited's operational HAM portfolio

2023
August
Definitive agreement signed to acquire Bangalore Elevated Tollway Private Limited from Galaxy Investments II Pte. Limited

2023
August
Definitive agreement signed to acquire Swarna Tollway (STPL) and 56.8% stake in Gujarat Road Infrastructure Company Limited (GRICL) from MAIF Investments India Pte. Limited

2023
November
Completed acquisition of Udupi Tollway and three HAM assets from HG infra Engineering limited taking the AUM to ₹ 72 Bn

2024
January
- Closed acquisition of STPL and 56.8% stake in GRICL, taking the AUM to ₹ 102 Bn
- Executed definitive agreements for with PNC Infratech Limited for the acquisition of 11 HAM and 1 BOT toll asset for an Enterprise value of ₹ 90 Bn



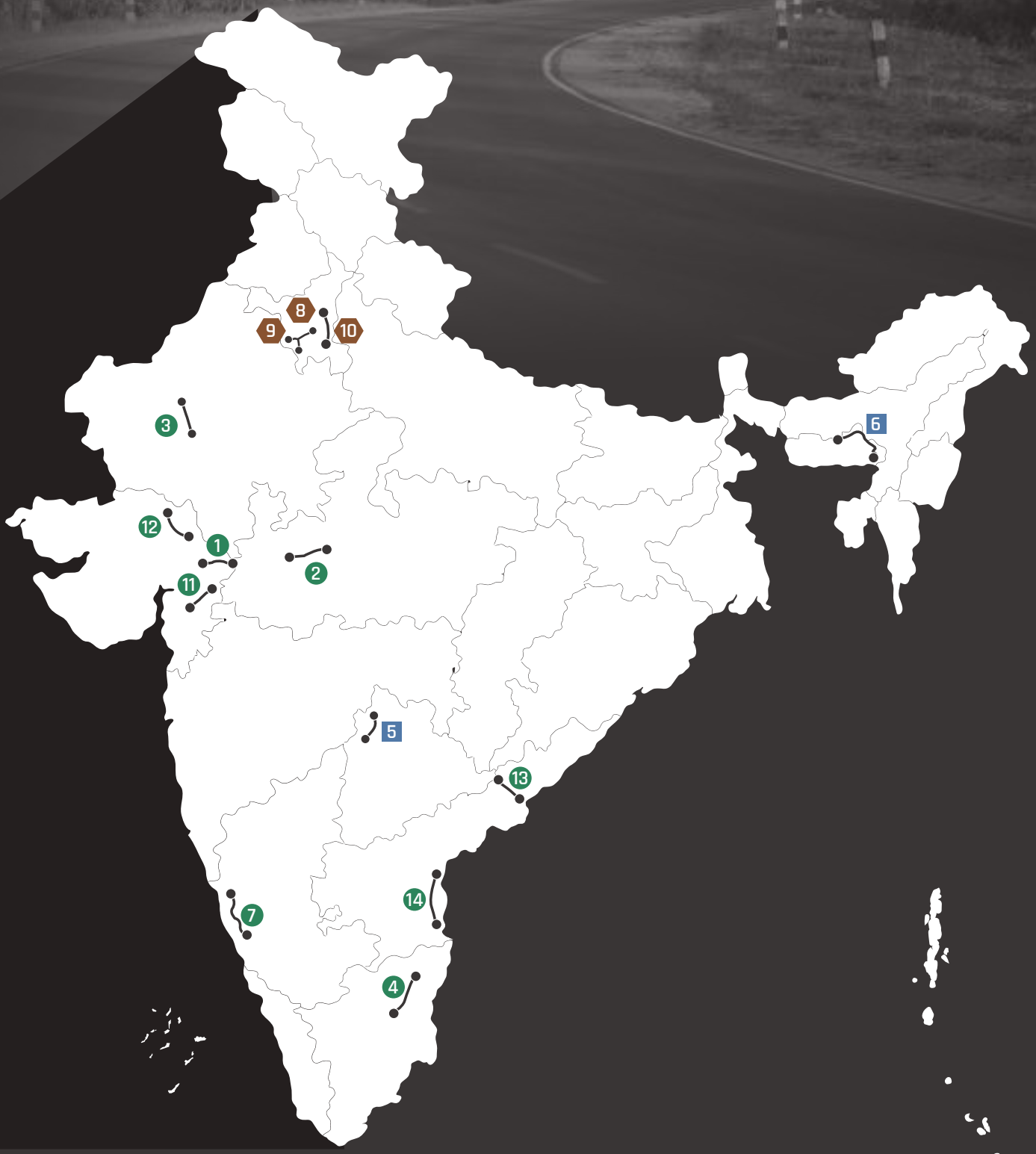
Our Asset Portfolio

Expanding Footprint across India

HIT is a pioneering transportation investment platform in India, overseeing a portfolio of 14 operational projects spanning an extensive network of approximately 870 Kms across 9 states.

	Project Name	State	Model	Lane Kms
1	GEPL	Gujarat	Toll	348
2	DBCPL	Madhya Pradesh	Toll	563
3	JEPL	Rajasthan	Toll	286
4	UEPL	Tamil Nadu	Toll	292
5	NBPL	Telangana	Annuity	124
6	SEPL	Meghalaya	Annuity	98
7	UTPL	Karnataka	Toll	361
8	RAHPL	Haryana	HAM	122
9	ANHPL	Haryana	HAM	191
10	GSHPL	Haryana	HAM	77
11	GRICL - Vadodara-Halol	Gujarat	Toll	127
12	GRICL - Ahmedabad-Mehsana	Gujarat	Toll	206
13	STPL - Nandigama-Ibrahimpatnam	Andhra Pradesh	Toll	197
14	STPL - Tada-Nellore	Andhra Pradesh	Toll	443

HIT: Highways Infrastructure Trust, DBCPL: Dewas Bhopal Corridor Private Limited, GEPL: Godhra Expressways Private Limited, JPEPL: Jodhpur Pali Expressway Private Limited, UEPL: Ulundurpet Expressways Private Limited, SEPL: Shillong Expressway Private Limited, NBPL: Nirmal BOT Private Limited, ANHPL: Ateli Narnaul Highway Private Limited, GSHPL: Gurgaon Sohna Highway Private Limited, RAHPL: Rewari Ateli Highway Private Limited, UTPL: Udupi Tollway Private Limited, GRICL: Gujarat Road And Infrastructure Company Limited, STPL: Swarna Tollway Private Limited



Toll Annuity HAM

Disclaimer: This map is a generalised illustration only for the reader to understand the locations, and it is not intended to be used for reference purposes.

Detailed Asset Overview

Highway Projects and Characteristics

Godhra Expressways Private Limited (GEPL)



GEPL is an 87 Kms toll road located in Gujarat, forming part of NH-59 (currently NH-47), stretching from Piravdi near Godhra (129.30 Kms) to the Gujarat-Madhya Pradesh border (215.90 Kms). It is integral to the Kandla Sagar Economic corridor, offering direct connectivity to major economic centres such as Ahmedabad, Vadodara, Kandla, Hazira, and Rajkot, as well as industrial hubs like Indore, Pithampur, Dewas, and Bhopal. The toll plaza has been operational since November 2013. HIT acquired GEPL in 2022-23.

Short-Distance Trips

Facilitating passenger and freight travel between Godhra, Dahod, and nearby areas, with freight vehicles transporting food grains and agricultural goods, supported by the 'Dahod Anaj Mandi.'

Medium-Distance Trips

Connecting production and consumption hubs like Ahmedabad and Vadodara with Indore and Pithampur, for transporting food grains, cash crops, petroleum products, building materials, and manufactured goods.

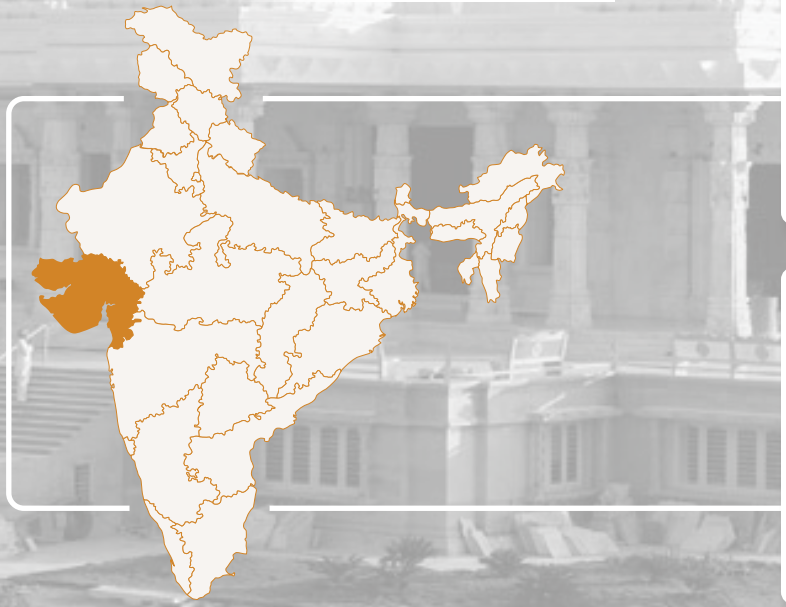
Long-Distance Trips

Travel routes between industrial nodes in western Gujarat (Vadodara, Surat, Haziara, Kandla, Rajkot, Ahmedabad) and consumption centres in the east (Indore, Bhopal, Lucknow, Kanpur).

Project Highlights	Details
State	Gujarat
Concession Authority	NHAI
Lane Configuration	4 Lane
Toll Plaza (TP)	TP1 - Bhatwada @ Kms 146+500
Length (Kms)	87 Kms
Commencement of Operations	PCOD: October 31, 2013
Concession Period	32 Years
Concession End	2043-44*

Note: *Includes Extension of 5.4 years

Project Commercials	Toll Plaza Bhatwada
Tollable PCU 2023-24	~26k
5-year CAGR (2019-2024) PCU	~8.2%
Revenue 2023-24 (₹ Mn)	1,607







Background Image: Trimandir, Godhra

Dewas Bhopal Corridor Private Limited (DBCPL)



The project road, a segment of SH-18, extends from Bhopal (6.80 Kms) to the Dewas Bypass junction (151.60 Kms), covering approximately 140.79 Kms. This corridor connects cities of religious, tourist, agricultural, and industrial importance, including Bhopal, the capital of Madhya Pradesh. Dewas is known for its industrial and agricultural output, and Ujjain, a prominent Hindu pilgrimage destination. It serves as a crucial link between Bhopal & Pithampur which is an industrial centre, and Indore (the economic capital), Madhya Pradesh. The project corridor includes 3 toll plazas that have been operational since February 2009. HIT acquired DBCPL in 2022-23.

Short-Distance Trips

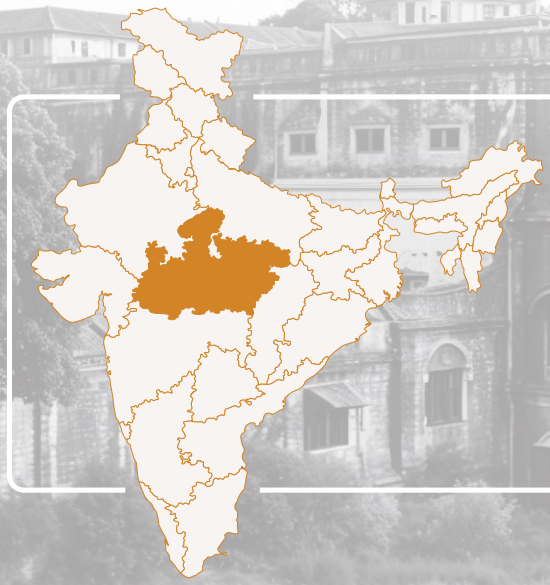
Passenger vehicles traveling primarily between Indore and Bhopal for work and business activities.

Medium- and Long-Distance Trips

Serving commercial purposes, the routes link production and consumption hubs. Medium-range routes connect Indore, Pithampur, and Dewas with Vidisha, Raisen, Sagar, and Jabalpur. Longer routes link Ahmedabad, Vadodara, Kandla, and Mumbai to Bhopal, Lucknow, and other centres, facilitating the transport of building materials, oil and gas, automobile parts, consumer items, and iron pipes for the Kandla–Gorakhpur pipeline project.

Project Highlights	Details
State	Madhya Pradesh
Concession Authority	MPRDC
Lane Configuration	4 Lane
Toll Plazas (TP)	TP1 - Fanda, TP2 - Amlaha, TP3 - Bhourasa
Length (Kms)	141 Kms
Commencement of Operations	PCOD for TP1: February 10, 2009 PCOD for TP2: September 17, 2009 PCOD for TP3: April 30, 2010
Concession Period	25 Years
Concession End	2033-34

	Toll Plaza		
Project Commercials	**Fanda**	**Amlaha**	**Bhourasa**
Tollable PCU 2023-24	~24k	~24k	~23k
5-year CAGR (2019-2024) PCU	~6.5%		
Revenue 2023-24 (₹ Mn)	2,265		







Background Image: Dewas Senior Rajwada, Dewas

Ulundurpet Expressways Private Limited (UEPL)



UEPL is a 73 Kms toll road located in Tamil Nadu, forming a part of National Highways NH-132 and NH-38 (formerly NH-45). It connects Tindivanam on NH-132 at 121.00 Kms to Ulundurpet at 193.90 Kms. This crucial corridor facilitates traffic flow between Chennai (the state capital) and major cities, economic hubs, and religious centres of Tamil Nadu, such as Tiruchirapalli, Madurai, and Tuticorin. Additionally, it offers connectivity to Salem, Erode, Coimbatore, and the eastern part of Kerala. The toll plaza has been operational since July 2009. HIT acquired UEPL in 2022-23.

Short-Distance Trips

Enables work and business travel between urban centres in Tamil Nadu, including Chennai, Kanchipuram, Villupuram, Cuddalore, Pondicherry, and Tindivanam.

Medium- and Long-Distance Trips

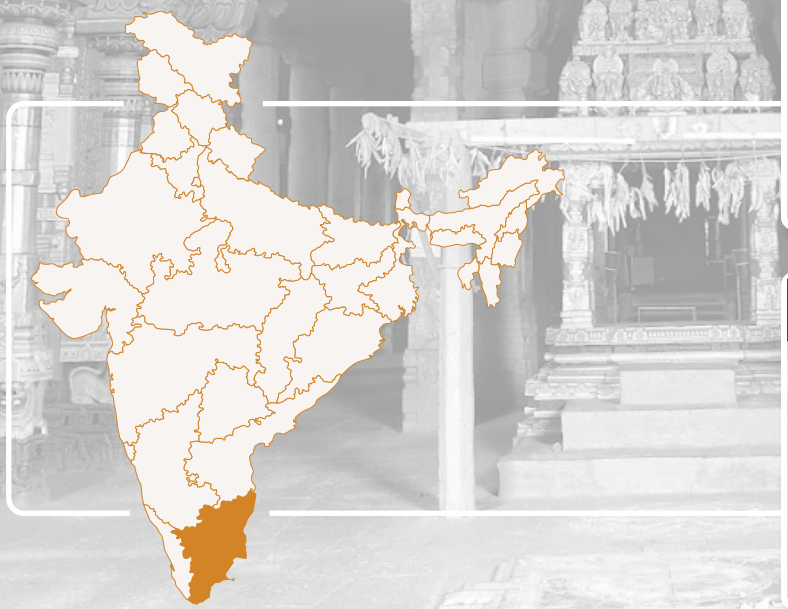
Links major urban zones like Chennai and northern Andhra Pradesh to pilgrimage sites in Madurai, Rameswaram, Kanyakumari, and Sabarimala.

Long-Distance Freight Movements

Freight movements that mainly involve petroleum, oil, lubricant (POL) products, automobile parts, and manufactured components from Chennai port, serving locations across Tamil Nadu and Kerala.

Project Highlights	Details
State	Tamil Nadu
Concession Authority	NHAI
Lane Configuration	4 Lane
Toll Plazas (TP)	TP1 - Vikravandi @ Kms 150+400
Length (Kms)	73 Kms
Commencement of Operations	PCOD: July 23, 2009
Concession Period	20 Years
Concession End	2026-27

Project Commercials	Toll Plaza Vikravandi
Tollable PCU 2023-24	~53k
5-year CAGR (2019-2024) PCU	~2.4%
Revenue 2023-24 (₹ Mn)	1,832







Background Image: Shri Ulagalantha Perumal Temple, Tirukoilur

Jodhpur Pali Expressway Private Limited (JPEPL)



The project road section of NH-65 starts from Jodhpur (308.00 Kms) and extends to Pali (379.53 Kms) in Rajasthan. With a total length of approximately 72 Kms, it provides vital connectivity between states like Punjab and Gujarat via Rajasthan. The project road features two toll plazas, Nimbali Toll Plaza and Gajangarh Toll Plaza, which have been operational since November 2014. HIT acquired JPEPL in 2022-23.

Short-Distance Trips

Primarily involves work and business travel between locations along the project corridor, including Jodhpur and Pali.

Medium-Distance Trips

Covering areas from Jodhpur to western regions like Jaisalmer and Bikaner, and reaching further towards Jaipur, Ajmer, Udaipur, Rajsamand, Bhilwara, Chittorgarh, and Kota.

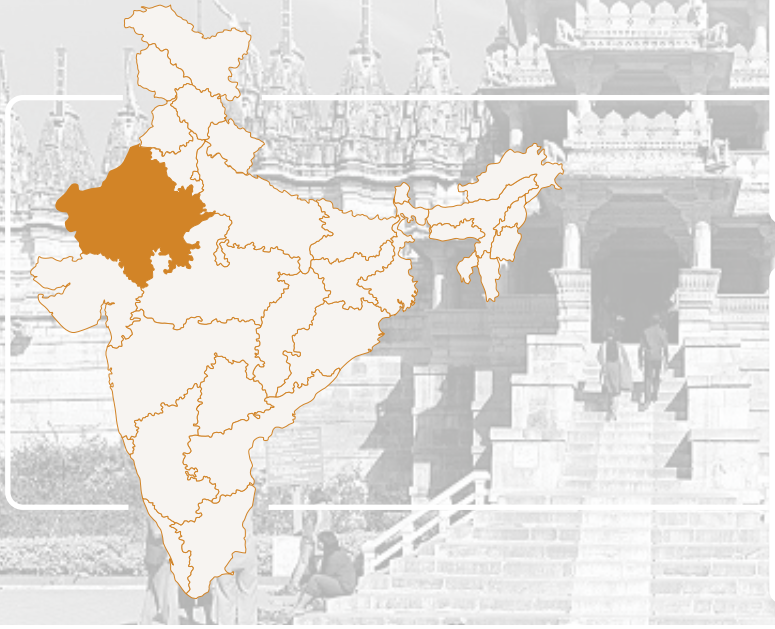
Long-Distance Trips

Includes routes between Punjab, Delhi, and Rajasthan in the north, and Gujarat, Maharashtra, and beyond towards the south. Major commodities that are transported include food grains, fruits and vegetables, petroleum products, chemicals, building materials, and miscellaneous items like parcels and medicines.

Project Highlights	Details
State	Rajasthan
Concession Authority	Rajasthan PWD
Lane Configuration	4 Lane
Toll Plazas (TP)	TP1 - Nimbali TP2 - Gajangarh
Length (Kms)	72 Kms
Commencement of Operations	PCOD: October 31, 2014
Concession Period	30 Years
Concession End	2043-44*

Note: *Includes Extension of 5 years

	Toll Plaza	
Project Commercials	Nimbali	Gajangarh
Tollable PCU 2023-24	~18k	~16k
5-year CAGR (2019-2024) PCU	~1.8%	
Revenue 2023-24 (₹ Mn)	692	







Background Image: Ranakpur Jain Temple, Sadri

Nirmal BOT Private Limited (NBPL)



Nirmal BOT Private Limited (NBPL) is a 31 Kms 4 lane road between Kadtal and Armoor in the State of Telangana which is part the North–South corridor. NHAI awarded the project on Build, Operate and Transfer (BOT) – Annuity basis in May 2007. Project corridor caters to the long-distance trips mostly catering North – South movements coming from Delhi NCR, UP, MP, Nagpur towards Hyderabad, Chennai, Bengaluru and Kerala. HIT acquired NBPLin 2022-23.

Project Highlights	Details
State	Telengana
Concession Authority	NHAI
Lane Configuration	4 Lane
Length	31 Kms
Commencement of Operations	PCOD as on July 22, 2009
Concession Period	20 Years
Concession End	2027-28









Background Image: Maisigandi Maisamma Temple, Amangal

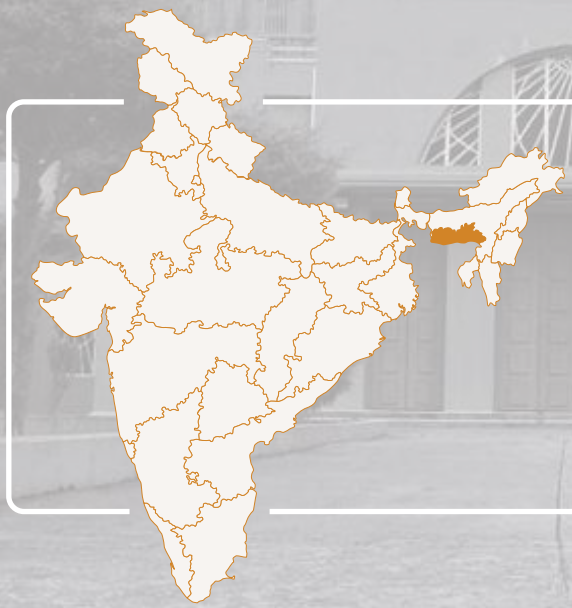
Shillong Expressway Private Limited (SEPL)



The project, part of National Highways 40 and 44 in Meghalaya, is a 49 Kms two-lane road facilitating essential connectivity for passenger and commercial traffic from Assam and other eastern states to consumption centres in Manipur, Tripura, and Mizoram. NHAI awarded the project on Build, Operate and Transfer (BOT) – Annuity basis. HIT acquired SEPL in 2022-23.

Project Highlights	Details
State	Meghalaya
Concession Authority	NHAI
Lane Configuration	2 Lane
Length	49 Kms
Commencement of Operations	PCOD as on February 28, 2013
Concession period	15 Years
Concession End	2025-26









Background Image: Don Bosco Church, Shillong

Udupi Tollway Private Limited (UTPL)



UTPL is a 90.3 Kms toll road located in coastal Karnataka, forming part of NH-66, which spans from Panvel to Kanyakumari across Maharashtra, Goa, Karnataka, Kerala, and Tamil Nadu. The asset connects the urban centre of Mangalore to Udupi, a popular tourist destination to the north, and extends across the state border into Kerala to the south. There are three toll plazas along the project corridor, operational since September 2010. HIT acquired UTPL in 2023-24.

Short-Distance Trips

Encompasses work, business, and educational travel between Kundapura, Udupi, Surathkal, and Mangalore.

Medium- and Long-Distance Trips

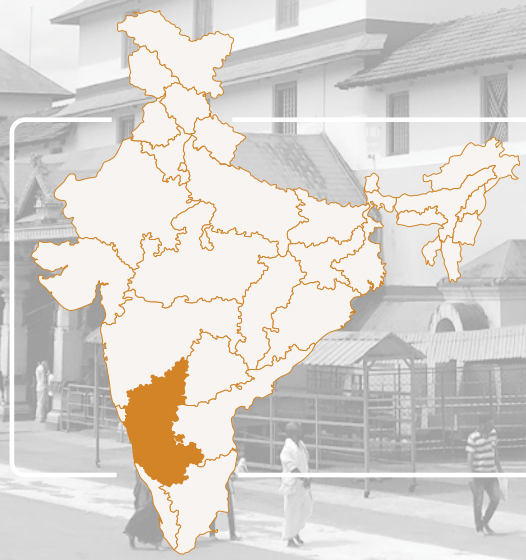
Includes spiritual pilgrimages to nearby temples and leisure trips to coastal beaches, these routes also facilitate commercial traffic driven by key industries like Mangalore Refinery, New Mangalore Port, and surrounding industrial zones. These routes connect Karnataka, Goa, and Kerala.

Long-Distance Freight Movements

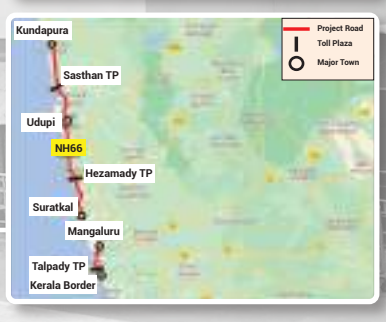
Involving trade in groceries, construction materials, petroleum, and manufactured goods between Maharashtra/Goa and Kerala, with significant petroleum movements from Mangaluru to destinations like Kundapur, Udupi, Hubli, and various parts of Kerala, including Kochi and Kasargod.

Project Highlights	Details
State	Karnataka
Concession Authority	NHAI
Lane Configuration	4 Lane
Toll Plazas (TP)	TP 1 - Sastan TP2 - Hejamadi TP3 - Talapady
Length (Kms)	90 Kms
Commencement of Operations	PCOD: January 30, 2017
Concession Period	25 Years
Concession End	2035-36

	Toll Plaza		
Project Commercials	Sasthan	Hejamadi	Talapady
Tollable PCU 2023-24	~23k	~32k	~21k
5-year CAGR (2019-2024) PCU	~4.2%		
Revenue 2023-24 (₹ Mn)	1,324		





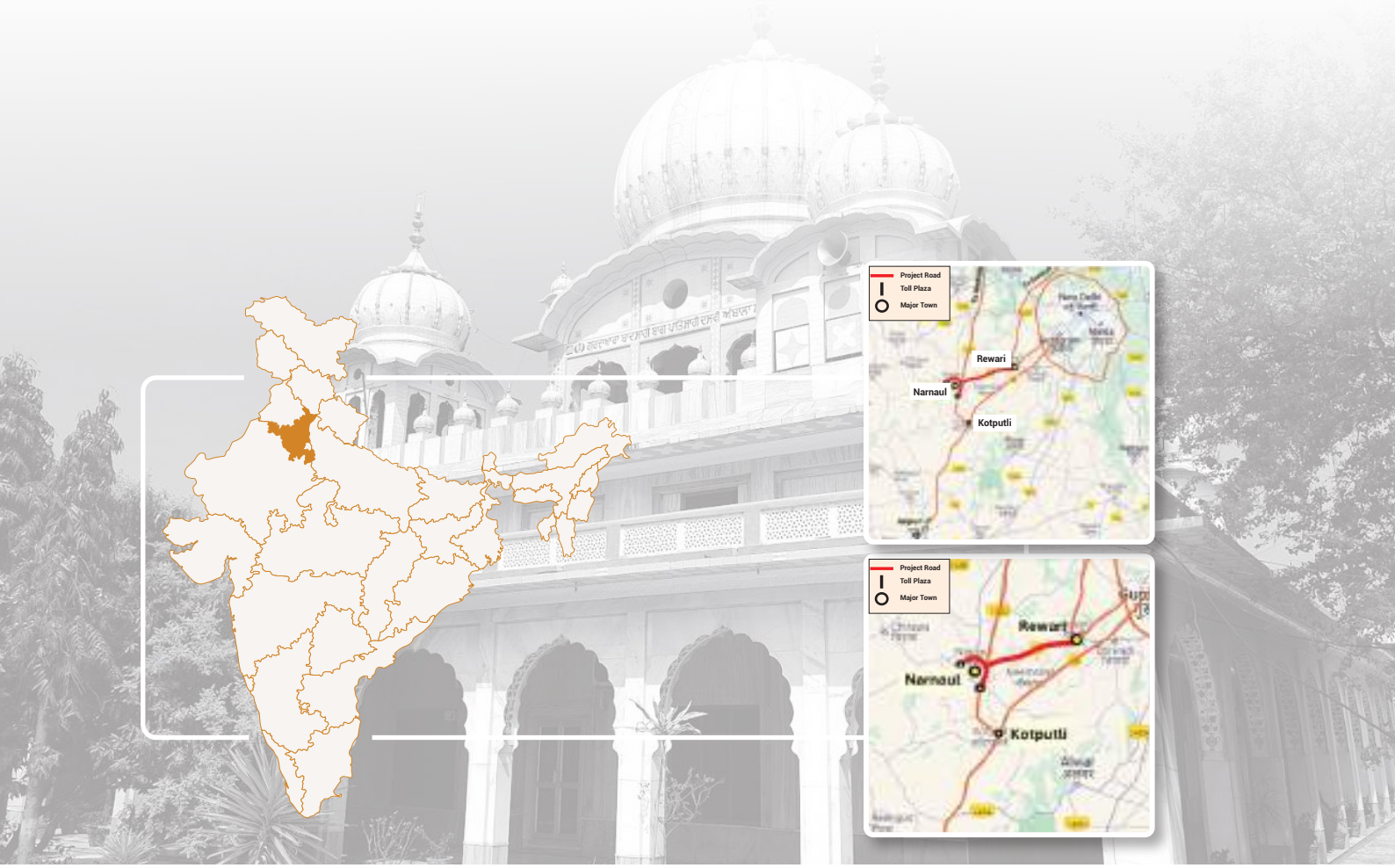


Background Image: Sri Kshetra Dharmasthala Manjunatha Swamy Temple, near Mangaluru

Rewari Ateli Highway Private Limited (RAHPL) and Ateli Narnaul Highway Private Limited (ANHPL)

RAHPL and ANHPL are two hybrid annuity assets that comprise a continuous stretch of 71 Kms from Rewari to Ateli Mandi, extending towards the industrial town Narnaul. This vital link connects the National Capital Region (NCR) to western areas of Rajasthan, including Sikar Project corridor that acts as an important connector for Punjab bound traffic towards Rajasthan via Trans Haryana Expressway (from Ambala to Narnual) and further connects at Kotputli on Gurgaon–Jaipur highway. The project corridor falls in Khushkhera Bhiwadi Neemrana Industrial region (KBNIR) of DMIC node. HIT acquired the entities in 2023-24.

Project Highlights	RAHPL	ANHPL
State	Haryana	Haryana
Concession Authority	NHAI	NHAI
Lane Configuration	4 Lane	4/6 Lane
Length	30 Kms	41 Kms
Commencement of Operations	PCOD as on November 15, 2021	PCOD as on March 11, 2022
Concession Period	15 Years	15 Years
Concession End	2036-37	2036-37



Background Image: Gurudwara Shri Badshahi Bagh, Ambala

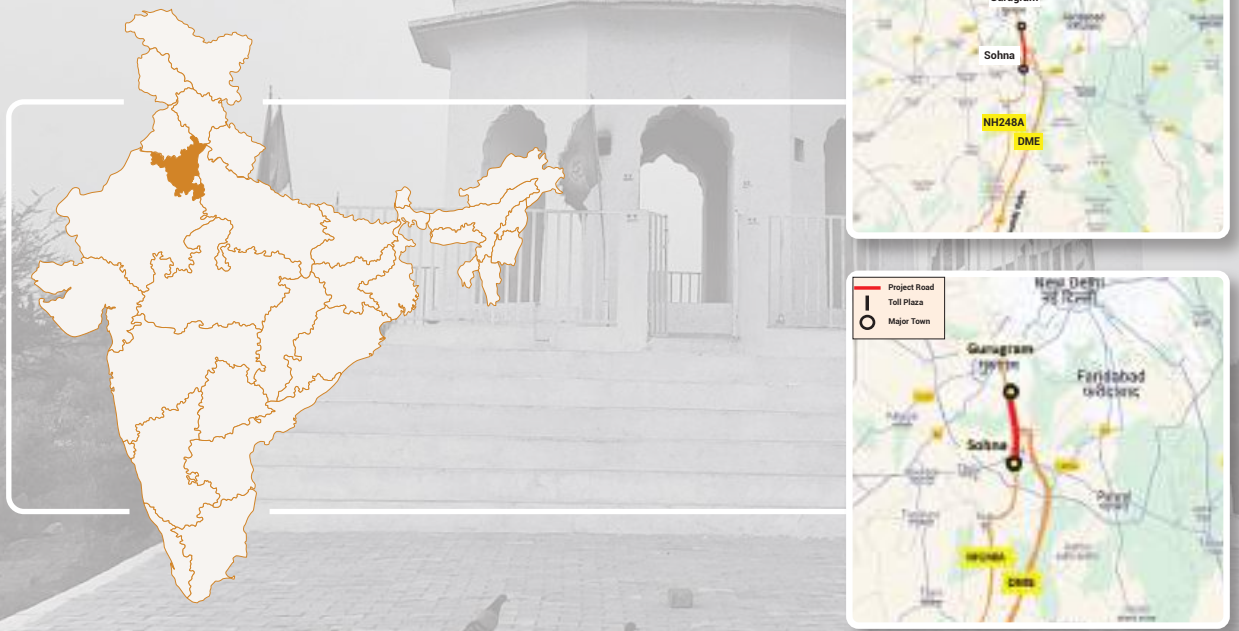
Gurgaon Sohna Highway Private Limited (GSHPL)



GSHPL is a Hybrid Annuity 6-lane project with a length of 13 Kms. The project road is a section of NH-248A, passing through the areas of Bhondsi, Ghamroj, Alipur, the university area, and Sohna in the district of Gurugram, Haryana. The entry into Delhi Mumbai Expressway (DME) is via the project stretch and thus the project corridor acts as an important feeder road for the traffic from Gurgaon and western portion of Delhi NCR towards Rajasthan, Madhya Pradesh and Maharashtra via DME. HIT acquired GSHPL in 2023-24.

Project Highlights	
State	Haryana
Concession Authority	NHAI
Lane Configuration	6 Lane
Length	13 Kms
Commencement of Operations	PCOD as on February 25, 2022
Concession Period	15 Years
Concession End	2036-37





Background Image: Manesar Chhatri, Gurugram

Swarna Tollway Private Limited - Tada Nellore (STPL-TN)



The project, STPL-Tada-Nellore section, is part of NH-16, the Chennai-Kolkata Golden Quadrilateral, linking major ports along the east coast from Chennai to Kolkata. Spanning 110.8 Kms in Andhra Pradesh, it features toll plazas at Venkatachalam/ Nellore, Budhanam, and Sullurpeta. Key traffic generators include Krishnapatnam port and Sri City. HIT acquired STPL in 2023-24.

Short-Distance Trips

Facilitating work, business, and religious travel between urban centres such as Ongole, Nellore, Gudur, Naidupeta, Tada, and Tirupati.

Medium-Distance Trips

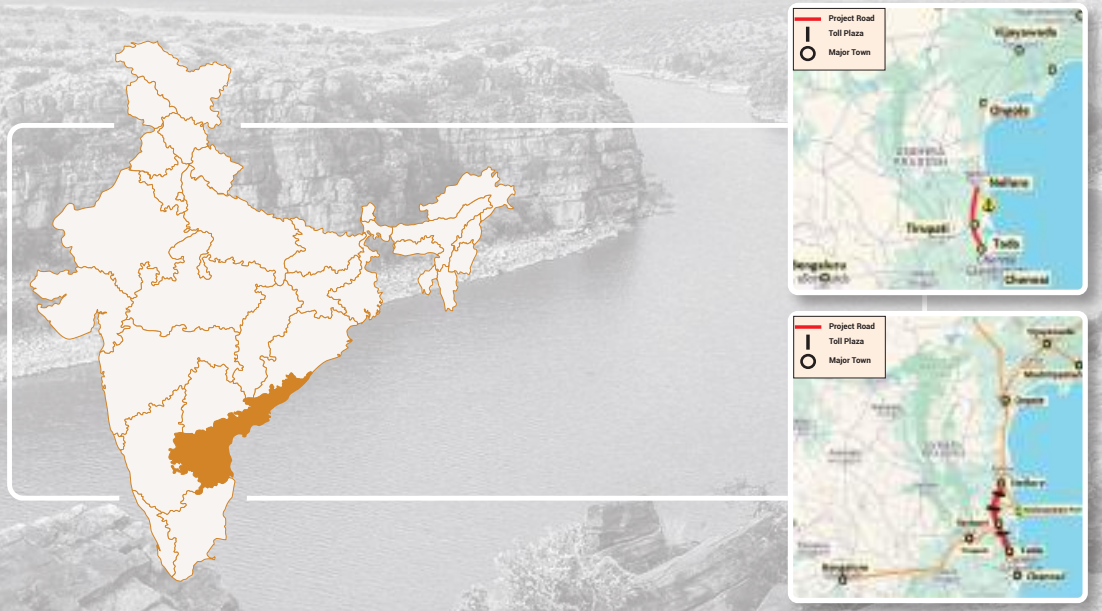
Dominated by traffic to Krishnapatnam port from Hyderabad, Nalgonda region, and the cement cluster near Jaggayyapet.

Long-Distance Trips

Connecting Chennai to Vijayawada, Visakhapatnam, Bhubaneswar, and Kolkata, with traffic from Vijayawada and north coastal Andhra to Tirupati and Bangalore. Major commodities include agricultural products, petroleum, and manufactured items, driven by Krishnapatnam port and Sri City industrial park.

Project Highlights	Details
State	Andhra Pradesh
Concession Authority	NHAI
Lane Configuration	4 Lane
Toll Plazas (TP)	TP1 - Sullurpet TP2 - Buddanam TP3 - Venkatachalam
Length (Kms)	110.8 Kms
Commencement of Operations	PCOD: May 21, 2004
Concession Period	30 Years
Concession End	2031-32

	Toll Plaza		
Project Commercials	Sullurpet	Buddanam	Venkatachalam
Tollable PCU 2023-24	~28k	~43k	~46k
5-year CAGR (2019-2024) PCU	~4.1%		
Revenue 2023-24 (₹ Mn)	2,601		



Background Image: Gandikota Fort, near Kadapa

Swarna Tollway Private Limited - Nandigama Ibrahimpatnam (STPL-NI)



The STPL-NI section forms part of NH-65, linking eastern Andhra Pradesh cities with Hyderabad, Mumbai, and Pune. It also serves as feeder traffic to the Tamil Nadu stretch on NH-16. The asset connects urban centres such as Ibrahimpatnam, Vijayawada, and Machilipatnam in the east to Nandigama, Kodad, Suryapet, Hyderabad, Pune, and Mumbai in the west. Major industries along the corridor include sand, cement manufacturing, stone crushing, chemicals, and iron and steel, contributing to high commercial traffic. HIT acquired STPL in 2023-24.

Short-Distance Trips

Trips along the project corridor, including Suryapet, Jaggayyapet, Nandigama, and Vijayawada, cater to work, business, and educational travel. Freight vehicles transport local sand and cement from Jaggayyapet to Vijayawada.

Medium-Distance Trips

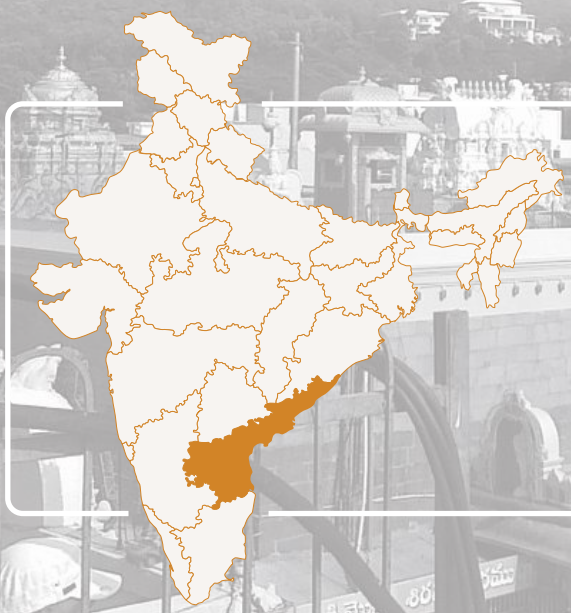
Trips primarily occur between Hyderabad and Vijayawada/Guntur, focussed on work and business.

Long-Distance Trips

Journeys connect Hyderabad to eastern parts of Andhra Pradesh and eastern states of India. Major industries along the corridor, such as cement manufacturing, stone crushing, chemicals, and iron and steel, drive significant commercial traffic.

Project Highlights	Details
State	Andhra Pradesh
Concession Authority	NHAI
Lane Configuration	4 Lane
Toll Plazas (TP)	TP1 - Keesara
Length (Kms)	49 Kms
Commencement of Operations	PCOD: June 19, 2004
Concession Period	30 Years
Concession End	2031-32

Project Commercials	Toll Plaza Keesara
Tollable PCU 2023-24	~29k
5-year CAGR (2019-2024) PCU	~4.4%
Revenue 2023-24 (₹ Mn)	802







Background Image: Tirumala Temple, Tirupati

Gujarat Road & Infrastructure Company Limited - Ahmedabad Mehsana (GRICL-AM)

GRICL-AM is a 52 Kms 4-lane highway forming part of SH41 in Gujarat, linking Ahmedabad, Mehsana, and Palanpur. Passing through urban/semi-urban centres like Kalol, Chhatral, and Nandasan, it serves major traffic generators including industrial clusters comprising engineering, agricultural and food processing, pharmaceuticals, textiles, ceramics, and plastic goods manufacturing units. The asset features two mainline plazas (Adalaj and Mehsana) and two check plazas (Chhatral and Nandasan), with tolling operational since February 2000. HIT acquired GRICL in 2023-24.

Short-Distance Trips

Serves local commuting between Ahmedabad and Mehsana, including industrial centres in Kadi, Kalol, Chhatral, Nandasan, and nearby villages.

Medium-Distance Trips

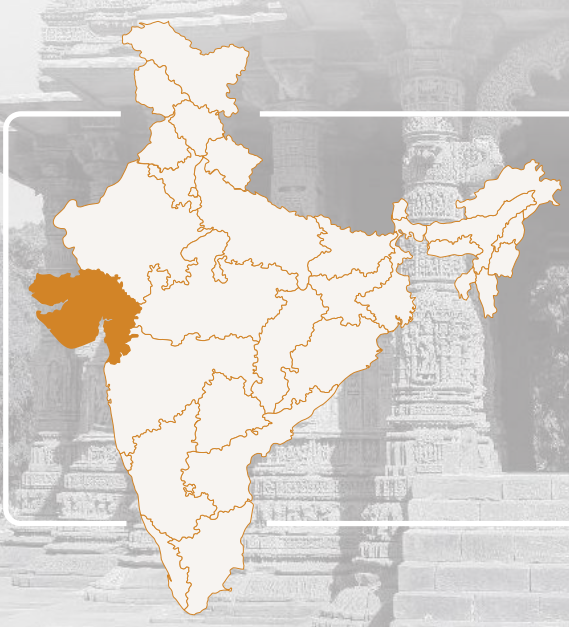
Helps connect northern places in Gujarat to locations such as Palanpur, Sidhpur, and Patan, heading towards Ahmedabad, Gandhinagar, and Vadodara.

Long-Distance Trips

Involves through traffic for Industrial areas in South Gujarat, Maharashtra, and Rajasthan, transporting agricultural goods, manufacturing and engineering goods, ceramic tiles, dairy products, parcels, and construction materials.

Project Highlights	Details
State	Gujarat
Concession Authority	GRICL (GOG)
Lane Configuration	4 Lane
Toll Plazas (TP)	4 No. (Including 2 check Plazas)
Length (Kms)	52 Kms
Commencement of Operations	PCOD: November 20, 2002
Concession Period	30 Years
Concession End	2032-33

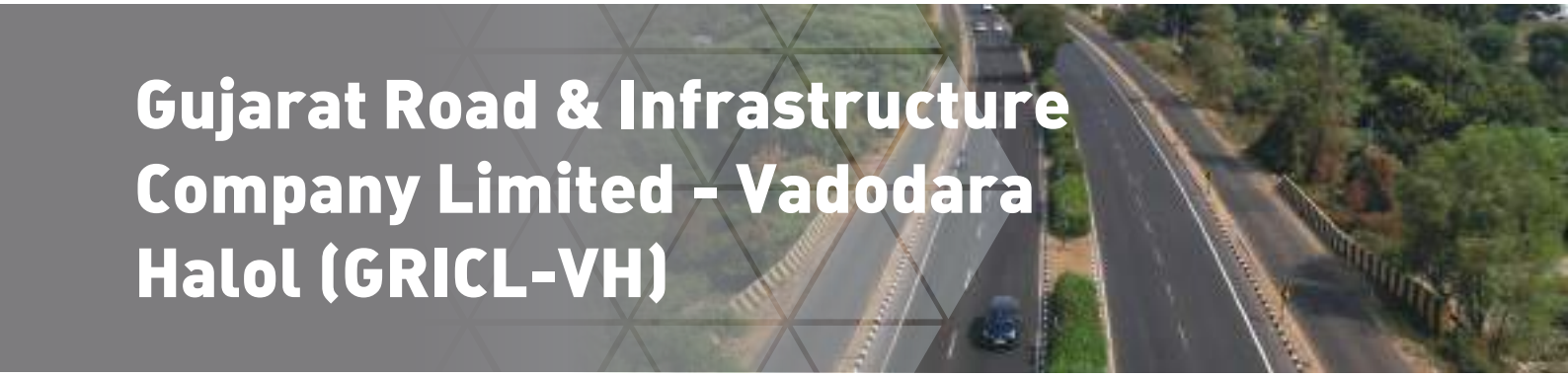
	Toll Plaza	
Project Commercials	Adalaj	Mehsana
Tollable PCU 2023-24	~41k	~31k
5-year CAGR (2019-2024) PCU	~7%	
Revenue 2023-24 (₹ Mn)	1,930	







Background Image: Modhera, Mehsana



Gujarat Road & Infrastructure Company Limited - Vadodara Halol (GRICL-VH)

GRICL-VH is a 32 Kms state highway part of SH-87, stretching from Vadodara to Halol in Gujarat, spanning from 8/300 Kms near Vadodara Bypass to 40/000 Kms near Halol Bypass. This highway connects major economic centres like Mumbai, Surat, Baruch, and Vadodara to the west, and Godhra, Indore, and Bhopal to the east. Passing through industrial clusters with chemicals, pharmaceuticals, electricals, automobiles, and plastic goods manufacturing units, tolling on the project corridor has been operational since October 2000. HIT acquired GRICL in 2023-24.

Short-Distance Trips

Involves daily commuting between Vadodara and Halol industrial clusters for work and business.

Medium-Distance Trips

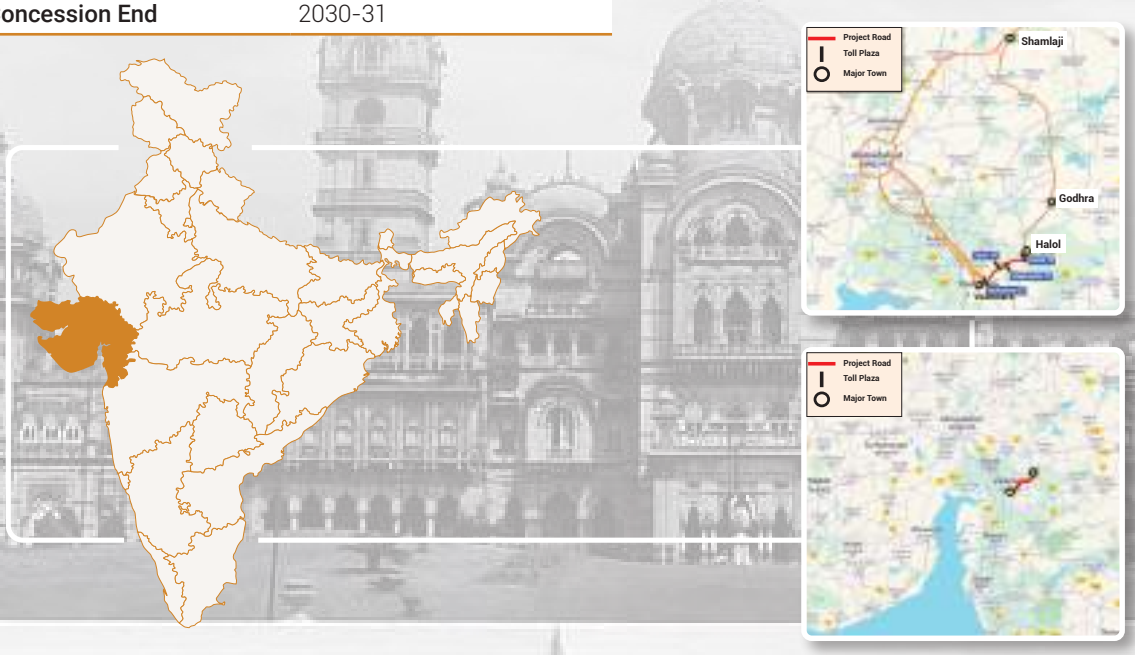
Connects industrial clusters from Hazira, Surat, Ankleshwar to Halol, Godhra, and Dahod.

Long-Distance Trips

Facilitates vehicle movement between Madhya Pradesh, Rajasthan, Delhi, Gujarat and Maharashtra. Major commodities include chemicals, pharmaceuticals, electricals, automobiles, plastics, and manufacturing goods, with a significant portion carrying petroleum and chemical products from Gujarat's industrial clusters to Madhya Pradesh and Rajasthan.

Project Highlights	Details
State	Gujarat
Concession Authority	GRICL (GOG)
Lane Configuration	4 Lane
Toll Plazas (TP)	4 No. (Including 2 check Plazas)
Length (Kms)	32 Kms
Commencement of Operations	PCOD: 24th October 2000
Concession Period	30 years
Concession End	2030-31

	Toll Plaza	
Project Commercials	Vadodara	Halol
Tollable PCU 2023-24	~23k	~17k
5-year CAGR (2019-2024) PCU	~10%	
Revenue 2023-24 (₹ Mn)	1,333	



Background Image: Laxmi Vilas Palace, Vadodara

Awards and Accolades





UEPL and GEPL Projects won the prestigious International Safety Award (ISA) 2024 from the British Safety Council (BSC), a globally recognised and esteemed safety assessment body. We applied for this award through BSC's rigorous safety assessment process and evaluation exercise. Based on our assessment & performance, BSC honoured both projects with the ISA under the distinction category.



NBPL
Gold Award
Highway Safety
सड़क परिवहन एवं राजमार्ग मंत्रालय MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
2018

NBPL
Silver Award Green
Highways
सड़क परिवहन एवं राजमार्ग मंत्रालय MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
2019

SEPL
Silver Award Highway
Safety
सड़क परिवहन एवं राजमार्ग मंत्रालय MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
2019

UEPL
Silver Award
O&M
सड़क परिवहन एवं राजमार्ग मंत्रालय MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
2020

GEPL
Silver Award O&M –
Rigid Pavement
सड़क परिवहन एवं राजमार्ग मंत्रालय MINISTRY OF ROAD TRANSPORT AND HIGHWAYS
2021

Highway Concessions One
National Road
Safety Award
GSS GLOBAL SAFETY SUMMIT
2022

UEPL
ASSOCHAM
Award for O&M
ASSOCHAM INDIA
2023

UEPL
BRITISH SAFETY COUNCIL
2024

GEPL
BRITISH SAFETY COUNCIL
2024



GEPL Project received Silver Award for Operation & Maintenance – Rigid Pavement

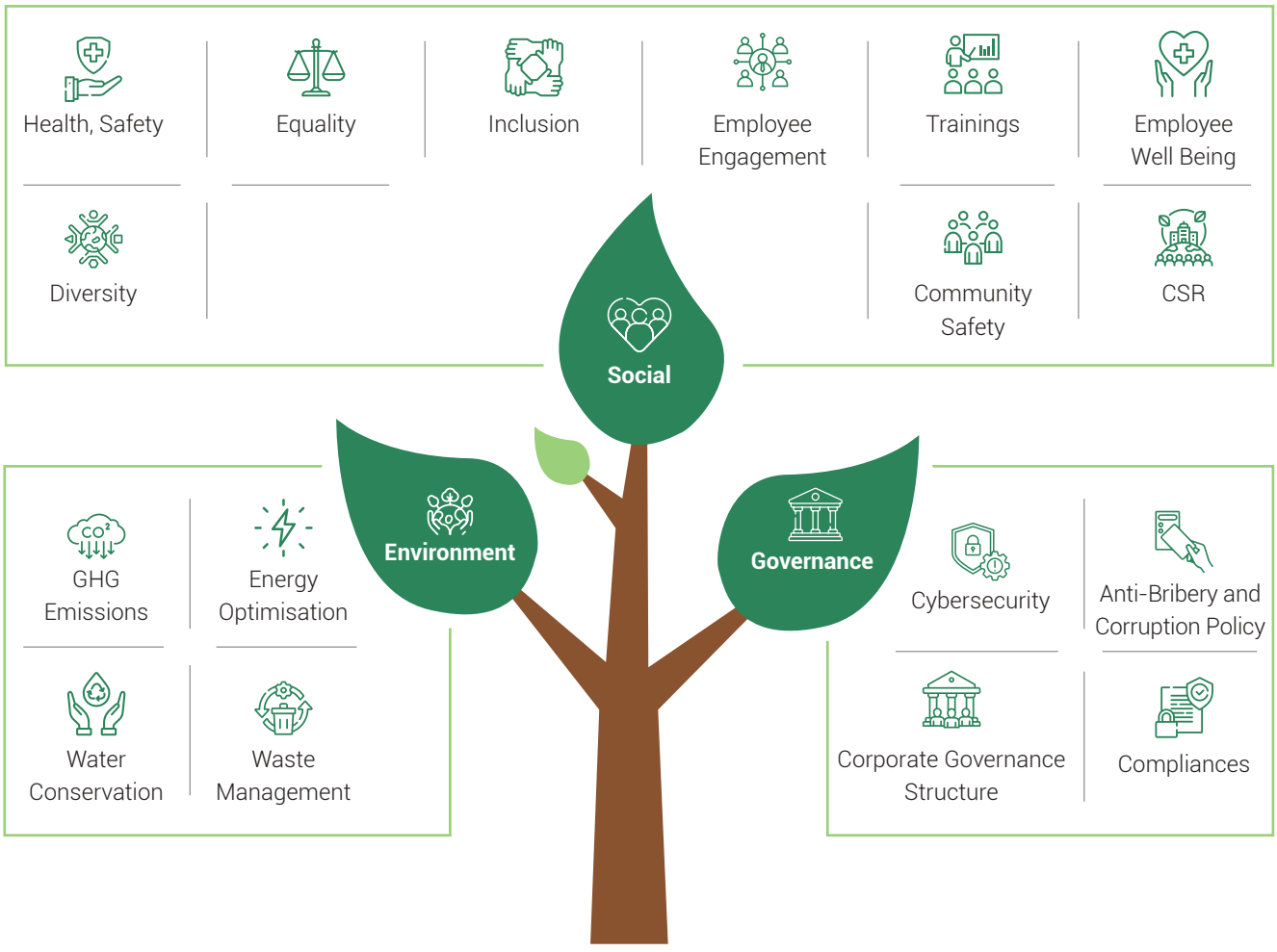


The Global Safety Summit (GSS) Awards celebrates the achievements of industries in the fields of environment, health, safety, and corporate social responsibility (CSR). GSS establishes specific assessment criteria for each relevant industrial sector. In 2022, Highway Concessions One Pvt. Ltd. was honoured with the National Road Safety Award in the large enterprise category at the Global Safety Summit.

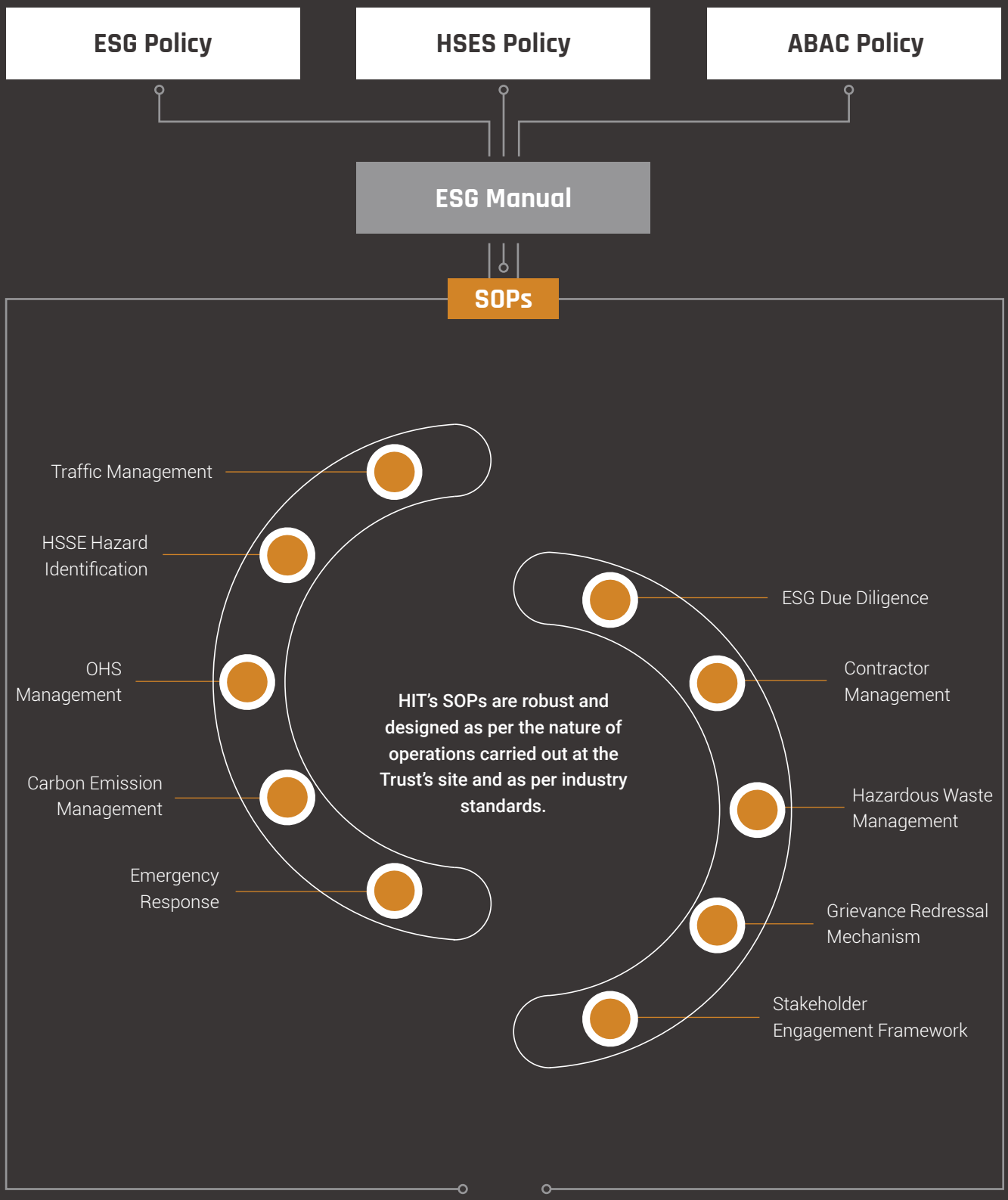
Environment, Social and Governance (ESG)

HIT recognises that its business operations have a profound impact on the society and the environment. HIT is committed to integrating ESG considerations into its decision-making processes and business practices. This ESG approach reflects HIT's dedication to creating long-term value for stakeholders while contributing to the well being of society and preserving the planet for future generations.

ESG Tree



ESG Management System



Environment: Green Initiatives

Paving the Way for Sustainable Roads

As a leading Infrastructure Trust managing 14 project stretches across the country, HIT is committed to conducting operations with utmost regard for the environment. It is committed to adhering to all environmental compliances that the law of the land mandates and voluntarily going beyond the requirements of law.

In the environmental section, our focuss encompasses three critical aspects

- Emission Management
- Waste Management
- Water Conservation

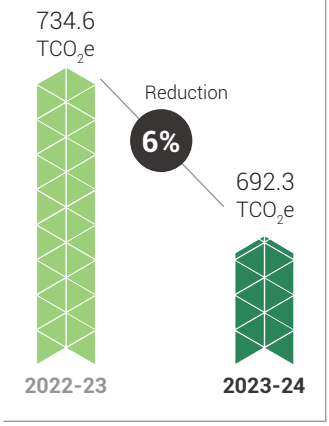


Emission Management

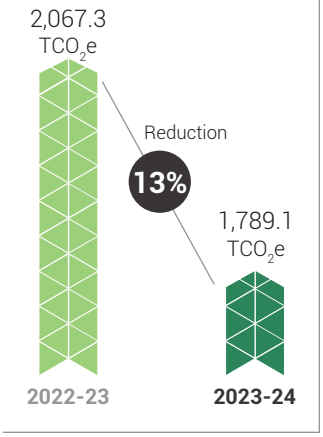
While the Trust's Scope 1 and 2 emissions are minimal, it is dedicated to making a meaningful contribution to addressing the climate change problem.

GHG Emissions

Scope 1 Emissions



Scope 2 Emissions



Focuss for Reduction in Scope 1 Emissions

Usage of Electric Vehicles (EVs) and Electric Scooters

HIT, as part of its efforts to gradually transition to green energy, procured an EV in June 2023 and three electric scooters in February 2023, both for use at the UEPL Project Site. On a yearly basis, this initiative is projected to save 13.9 TCO2e of Scope 1 emissions.



12.9 TCO_2e
of Scope 1 Emissions
Reduced Since Deployment

Focuss for Reduction in Scope 2 Emissions

HIT has implemented many initiatives at the sites with a view to reducing non-renewable energy usage and for using optimised lights usage.

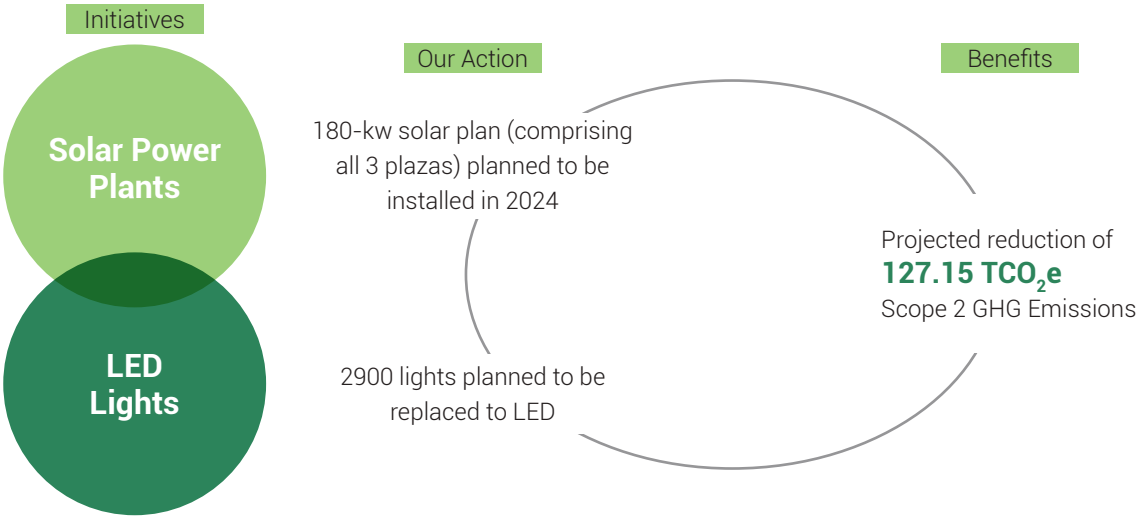
Initiatives	Benefits Incurred in 2023-24
Roof Top Solar NBPL, UEPL, BETPL, UTPL, GEPL	**579.09 TCO_2e** Total Scope 2 Emission Reduction
LED Lights DBCPL, UEPL, NBPL, JPEPL	

Fuel Optimisation

- Implemented GPS-enabled vehicle tracking system (VTS) for monitoring travel Kms and detecting over-speeding violations
- Defined operational area with geo-fencing feature, generating alerts for path deviations
- Generated comprehensive reports with VTS on events, mileage, and fuel usage
- Rationalised vehicle usage and optimised operational mobility costs
- Issued IOCL fuel fleet cards to monitor mileage and highlight fuel usage discrepancies



HIT is committed to reducing the emissions in 2024-25. With the same motive, HIT has planned following initiatives at the newly acquired project UTPL:



Negating the Impact of Major Maintenance (MM) Works in 2023-24

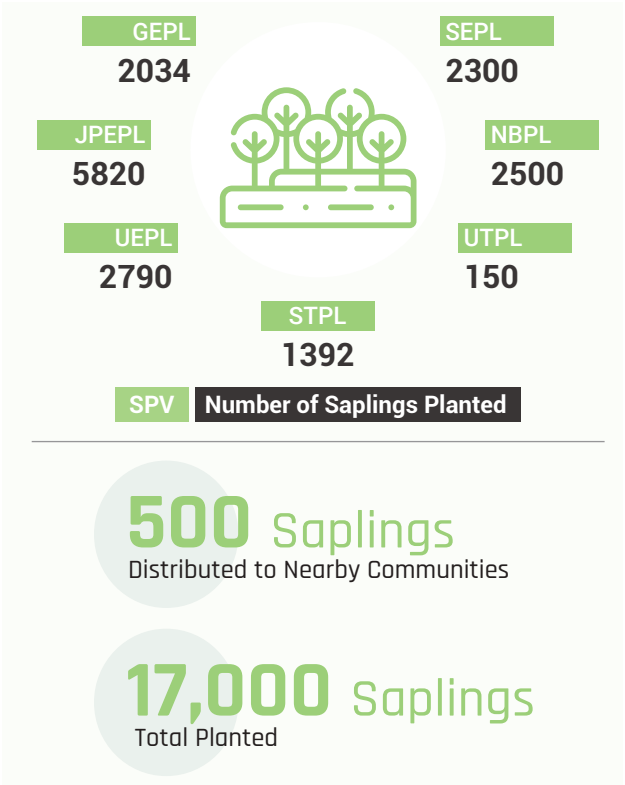
MM works were started in 4 of project SPVs. These totally contributed to emitting additional 1887.4 TCO_2e Scope 1 Emissions in 2023-24.

Carbon Neutrality Project

Carbon neutrality project was initiated to compensate (offset) for the increased Scope 1 emissions due to addition of new projects and MM Works.

This project was started with the aim of achieving a balance between the increased amount of Scope 1 emissions released by our operations and the amount of Scope 2 emissions removed or offset. The goal is to reduce the net GHG emissions to zero, thereby achieving carbon neutrality in near future. Our team is working on collaborating this programme with CSR Agency with a view to further offset our emissions by means of mangroves plantation at coastal areas, which will help in additional sequestration of carbon emissions.

Projects initiated by HIT for additional plantation of saplings at all the projects SPVs:



Plant Nursery Developed at UEPL

It consists of varieties plant species. Our site team maintains this nursery and ensures its upkeep. Saplings from these nurseries are distributed to nearby communities as well as planted on the roads.



Waste Management

HIT tries to reduce waste generation and recycle waste at source. Here are some of the waste and treatment methods being used at our project sites.

Reused bituminous material for major maintenance works

- Use of the material for shoulder repair thereby reducing the use of fresh soil from borrow area
- Use of material for fresh bituminous works by recovering the aggregate and bitumen
- Use of the material for developing village road to help local community

Metal beam crash barrier (MBCB)

- Recycling the damaged MBCB by cold re-shaping
- Use in vertical post for making safety delineators

Reuse of damaged sign board by applying reflective film

CASE STUDY

Waste Plastic Road

India generates around 3.5 Mn tonnes of plastic waste every year. Out of this, 60% is recycled at various factories. The remaining 40% is littered, thereby creating a lot of environmental problems. Under the guidance of Dr. Rajagopalan Vasudevan, a professor from Thiyagarajar College of Engineering and as per IRC SP 098-2013, UEPL laid a plastic road trial stretch of 10.5 Kms of bituminous concrete overlay in the year 2019. Over a period of 4 years, this pavement witnessed no rutting, bleeding, cracks, or potholes, and had a uniform and durable texture.

Considering the better results from the plastic-induced BC road in the past, the UEPL project has started executing its 3rd periodic overlay for the entire project highway. This consists of 72.9-Kms of four-lane main carriage way and 36.5 Kms of service road with plastic waste.

500 Tonnes
of Waste Plastic Utilised

As we pave the way to a greener future, plastic roads stand as a testament to our innovation, turning a global problem into a sustainable solution.



Water Conservation

In our operations, we use water for civil purposes and for maintaining our plantations along the stretch. Our approach to water conservation follows 3 Rs – Reduce, Reuse, and Recycle.

Reduction in Water Usage

Use of sprinkler for watering, moisture retaining techniques, and native species adapted to thrive in the local climate and soil conditions with minimal supplemental watering, thus reduce water requirement.

Reuse of Water

Rainwater harvesting structure installed at all projects (except the newly acquired ones)

Recycling Water

Using rainwater for plantation of nursery

Awareness

Creating awareness on environmental stewardship is of prime importance for us and for that we conduct numerous training for our employees as well as contractors. This training includes topics like Energy Conservation, Waste Management, Emission Reduction Methodologies.

In addition, HIT also celebrated World Environment Day 2023 on June 5 at the head office as well across all sites. HIT organised various engagement activities based on the theme of the event, in which it included families of employees too.

Celebrating World Environment Day has created a spirit of making sustainable choices among our people.





Our Social Responsibility

At HIT, social aspects are specially well developed and focussed upon. The Trust always strives to ensure the well being, development and safety of employees, contractors, communities and all stakeholders.

Health, Safety and Environment (HSE)

For HIT, HSE is of paramount importance. Ensuring that all staff and contractor workers return home safely without injury every day is a top priority. HIT has robust and well-developed safety standards. The Trust's approach to HSE revolves around making line management accountable for safety implementation. HSE leadership and ownership are deeply integrated into the Trust's culture.

ZERO Fatality is Our Goal

HIT has well-defined HSES Policy whose commitments are very well communicated to all workforce through periodic inductions and training. Working with Live Traffic is the biggest HSE risk for HIT. The Trust has safety controls in place which consists of

- Traffic Management Plans
- Well-Designed Training Modules
- Competent Team
- Adequate Emergency Response Systems

Leadership Commitment for HSE

HIT'S leadership team is fully committed to ensuring the safety and well being of every individual involved in our operations, from employees to contractors and beyond. Each leadership team member is committed to safety and leading by example. The Trust has also developed schedules for leadership-team safety walk for 2024-25.

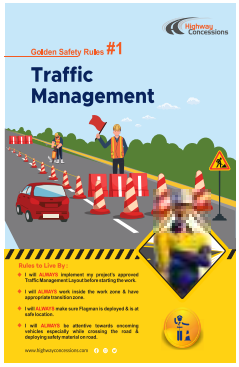
- Safety Walks at Site by Leadership Team
- Leading the HSE Summits and Conclaves
- Providing Insights on HSE to All Site Teams Frequently

HIT's commitment to safety isn't just a responsibility; it's a promise the Trust upholds every single day



At HIT, we implement various programmes on Health, Safety and Environment (HSE). Below are some key examples of our initiatives:

Golden Safety Rules





- Traffic Management
- Work at Height
- Line of Fire
- Induction and Training
- Driving Safety
- Use of PPEs
- Electrical Safety
- Lifting Safety

Based on the activities carried out at site, HIT has developed 8 Golden Safety Rules.

Each of these principles comprise of HIT's 'Rules to Live By.' To ensure better understanding at the sites, HIT translated these rules into local languages.

HSE Training

To increase HSE awareness and develop the competency of its team, HIT conducts frequent training sessions at all its sites and at the Head Office. These sessions include both classroom and on-the-job training. Examples of these training includes Traffic Management, Toll Operations Safety, Work at Height , and Emergency Response.

11,750
Person-Hours of HSE training completed in 2023-24

Hazard Reporter (HeRo) Programme



To encourage the team to identify and report hazards and near-misses, HIT has developed the Hazard Reporter (HeRo) Programme. The main purpose of this programme is to increase hazard and near-miss reporting from the line management team through target setting and teamwork. These targets are linked with incentives and the HeRo Award.

Outcomes of HeRo Programme

85%
Increase in Hazard Reporting

10%
Increase in Near Miss Reporting

70%
Increase in Hazard Closeout Percentage

Below are the key training conducted for our employees & contractors in 2023-24:

HSE Leadership Training

Traffic Management Training

HSE Incident Investigation Training

500
O&M Members from SPV and Contractors Trained

Diversity, Equality and Inclusion (DEI)

The Trust is committed to promoting DEI in all aspects of its work. The aim is to establish an inclusive culture that celebrates diversity and is free from discrimination. While this is a nascent start, the understanding is that DEI is an ongoing journey, and HIT is committed to taking concrete steps to promote a workplace culture that values and respects the differences among its employees.

3C's of HIT

Culture

Promoting the vision of DEI at all levels by taking actions to increase diversity and equity in workforce and maintain an inclusive workspace.

Career

Recruit/hire a high-performing workforce and work towards enhancing their career by providing equal opportunities for their competency development.

Communication

Set up an atmosphere where every employee feels free to put forward their opinion and develop a transparent communication at all levels. HIT monitors the implementation and objectives of this policy periodically for continual improvement.





Employee Engagement Programmes at HIT

Employee engagement is paramount at HIT. The Trust believes it plays an important role in organisational success.

Trainings at HIT

HIT has always strived to contribute towards enhancing the competency of its employees and proficiency in various aspects of professional development.

1. Business Etiquettes & Corp. Grooming
2. Yoga Session
3. Leading with EI for High Performance
4. Insider Trading
5. Interpersonal Skill
6. Gender Sensitisation & POSH
7. Problem Solving Technique
8. Advanced Excel
9. Ethics Line (ABAC)
10. Medic First Aid and CPR Training

Offsites

The Trust organises yearly offsite for employees at both, the head office and its sites. HIT believes that building bonds is essential, and one effective way to achieve this is by meeting in informal, relaxed environments. These bonds become stronger and many friendships extend to the family level since the offsites include family members.

Steps Highway

To promote fitness among employees, HIT launched the 'Steps Highway' initiative. This programme encourages consistent walking by forming teams within the employees to compete for achieving the maximum number of steps and eventually winning.

3G Gratitude Game

HIT implemented the 3G Gratitude Game, a simple interaction process among employees to recognise, greet, and express gratitude towards colleagues. This is done by exchanging messages through coupons, magic coupons, photographs or any other means that an employee would like to recognise for another employee.





Community Safety Programmes

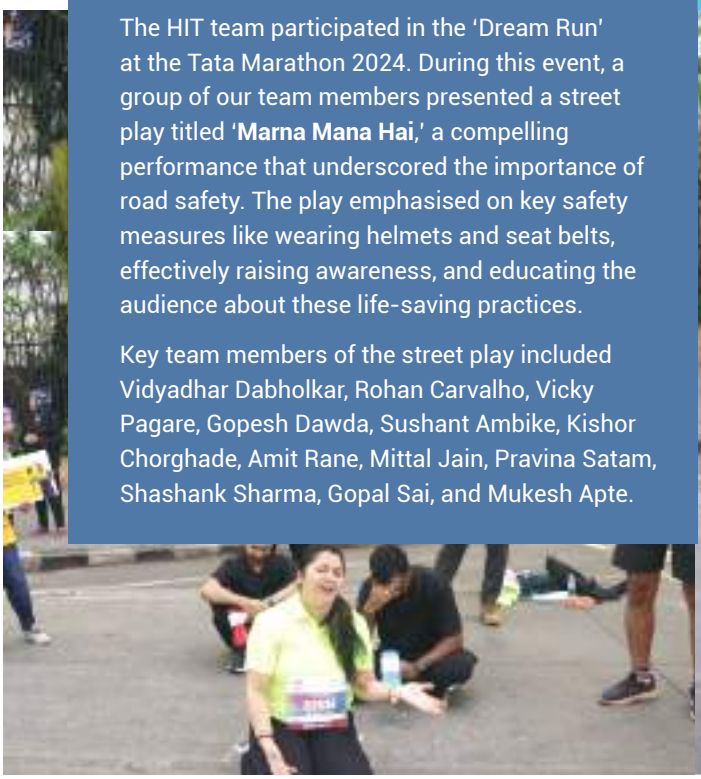
HIT cares deeply about the communities around its assets and considers itself a contributor to improving road safety. The Trust aims to promote road safety, reduce accidents, and enhance the well-being of communities served by its roads. To achieve this goal, the Trust conducts various large-scale community safety programmes at its sites.

What it Includes	Site Coverage 2023-24
Road safety briefings at local schools, villages, road side eateries	5,000+
Distributing road safety dos & don'ts pamphlets	10,000+
Displaying road safety posters at prominent locations	5,000+
Free eye check-up camps for road users	5,000+

Street Play (Nukkad Natak) - On Road Safety

The HIT team participated in the 'Dream Run' at the Tata Marathon 2024. During this event, a group of our team members presented a street play titled '**Marna Mana Hai**,' a compelling performance that underscored the importance of road safety. The play emphasised on key safety measures like wearing helmets and seat belts, effectively raising awareness, and educating the audience about these life-saving practices.

Key team members of the street play included Vidyadhar Dabholkar, Rohan Carvalho, Vicky Pagare, Gopesh Dawda, Sushant Ambike, Kishor Chorghade, Amit Rane, Mittal Jain, Pravina Satam, Shashank Sharma, Gopal Sai, and Mukesh Apte.





CSR: HIT's Responsibility towards the Communities

HIT's CSR initiatives demonstrate its commitment to making a positive impact on society while conducting its business operations. For these initiatives, HIT prioritises achieving meaningful outcomes over self-promotion or brand marketing. This approach, known as RIGHT INTENT has enabled HIT to spend in a way that creates a significant impact beyond mere value for money. These initiatives encompass a wide range of activities aimed at addressing social and economic challenges.

Goals



Philanthropy and Community Development

- Upgrade local community centres and common facilities
- Create awareness around social security system and government programmes

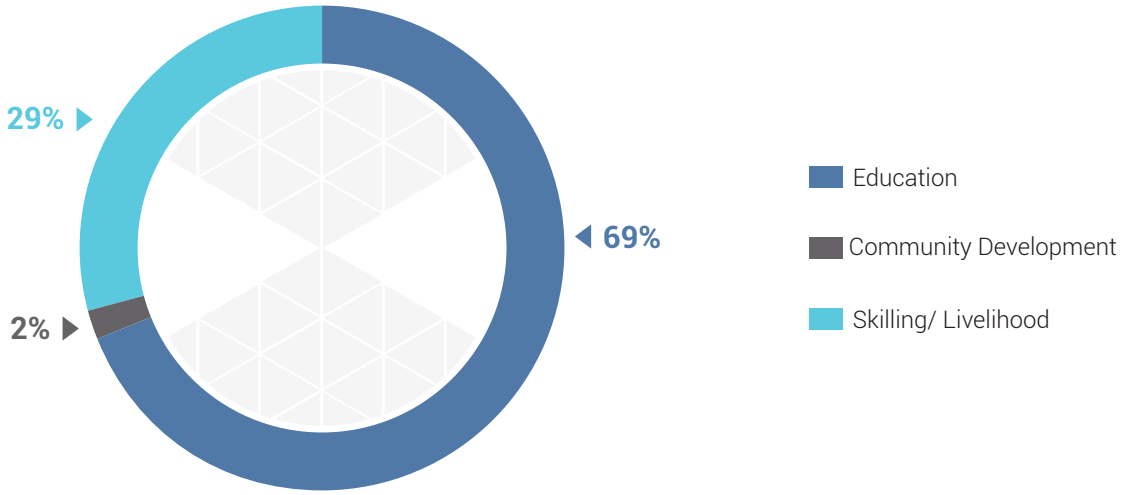
Education

- Support local schools and upgrade facilities for better infrastructure
- Improve the learning experience and enable a self-sustaining education system
- Skill young minds for employment

Livelihood and Skilling

- Skill the youth and facilitate employment opportunities

CSR Spend Category Breakup



CSR Budget and Expenditure for the Year

Name of SPV	Amount Spent (In ₹)	Thematic Area
BETPL	9,98,059	School Transformation Programme – Zariya Welfare (MP)
SEPL	10,42,707	Aide-et-Action- Vocational Skill Centre (Meghalaya)
DBCPL	1,65,72,412*	Skill Centre-3 Nos - 2 Nos MP (PTVPL) and 1 In Mumbai - (Magic Bus) Women Empowerment –SHG (PTVPL- Bihar)
GSHPL	12,21,111*	Skill Centre – Mumbai (Bright Future)
ANHP	12,21,111*	Skill Centre – Mumbai (Bright Future)
RAHPL	12,21,111*	Skill Centre – Mumbai (Bright Future)
STPL	2,97,48,045	Rural Development, School Transformation, Health
GRICL	2,15,73,098*	School Infrastructure Development

*Unspent amount is deposited in a separate bank account and will be spent on or before September 30, 2024 as per the Company's Act



CSR Initiatives Undertaken in 2023-24

Support to Schools

The Trust decided to spend CSR funds available at NBPL to build three classrooms and a dining hall at Zilla Parishad High School, Bussapur, Nirmal. These facilities were inaugurated on July 7, 2023 by our team members Mr. Vidyadhar Dabholkar – VP (HR & Admin), Mr. Annamalai Muthu – AVP (O & M), and Mr. Pranay Chandra – Project Manager - NBPL.



Skill Centres

Mira Road Skill Centre: DBCPL in partnership with M/s Magic Bus has been running a skill centre at Mira Road since June 2023. The curriculum has been designed to impart skills that support young people to provide sustainable livelihood opportunities in sectors such as Retail, ITeS, and Hospitality along with the life skills. It also provides youth with sector-specific training, job placements, and post-placement support.

Skill Centre Provided 6–8 weeks Training to About 35 Participants



Outreach

Young Person Outreach Snapshot 2023-24

Enrolled	Target for 2023-24	200
	Achievement	214
Trained	Target for 2023-24	200
	Achievement	214
Placed	Target for 2023-24	140
	Achievement	139

Dewas and Bhopal Skill Centre

During the year 2023, DBCPL along with M/s Pipal Tree Foundation founded a second Skill Development Centre at Dewas. The centre shapes young lives through CSR project in line with GOI's Skill India initiative.

Shillong Skill Centre

With the support of Shillong Expressway Private Limited, Aide et Action (AEA) implemented the project 'Empowering Youth for Sustainable Livelihoods: Promoting Vocational Skills and Entrepreneurship in Meghalaya.' Under this, youth were equipped with skills which would help them in starting units or seeking job placement. The units have been grounded either through self-finance or AEA helping them to access credit by linking them with financial institutions and nationalised banks. AEA has also provided post-establishment handholding support to the entrepreneurs and technical inputs through exposure visits. It has also organised sessions with guest faculties who are experts in the respective trades, enabling them to access market linkages for sustainability of their business.

474 Youths
Were Trained during the Project Period

CSR Batchwise Placement Status

Centre	Job Role	Batch	Gender	Batch Start Date	Batch End Date	Total Enrolled	Total Passed	Placed	Placement %
CSR Bhopal	CCE	CCE 1	Female	April 2023	June 2023	35	35	25	71
		CCE 2	Female	June 2023	July 2023	35	35	28	80
		CCE 3	Female	July 2023	August 2023	35	35	27	77
		CCE 4	Female	September 2023	October 2023	35	35	29	83
		CCE 5	Female	October 2023	November 2023	35	35	29	83
		CCE 6	Female	November 2023	December 2023	35	35	29	83
		CCE 7	Female	January 2023	February 2023	35	35	30	86
		CCE 8	Female	February 2023	March 2023	30	30	29	96
		Total				**275**	**275**	**226**	
CSR Dewas		GDA 1	Female	July 2023	August				
		GDA 2	Female	August 2023	September 2023	35	35	27	77
		GDA 3	Female	September 2023	October 2023	35	35	29	83
		GDA 4	Female	November 2023	December 2023	35	35	29	83
		GDA 5	Female	December 2023	January 2024	35	35	30	86
		GDA 6	Female	January 2024	February 2024	35	35	30	86
		GDA 7	Female	February 2023	March 2024	40	40	36	90
		Total				**205**	**205**	**209**	

CSR Funds of SEPL Were Utilised by way of Providing Skill Development Sessions to the Youth. Following is the Summary:

District	Beauty and Wellness	Fashion Designing and Tailoring	Electrical Repairs and House Wiring
East Khasi Hills	87	85	65
Ribhoi	65	87	85
Total	**152**	**172**	**150**

The youth were provided post-training handholding to promote entrepreneurship in the target districts. They were also provided with placement support.

Governance: Upholding Integrity and Transparency

At the heart of HIT's ESG efforts lies a well-defined governance structure designed to integrate environmental, social and economic considerations into its decision-making processes. Our Board of Directors provide oversight and strategic guidance, ensuring that all objectives are embedded into the corporate strategy and performance targets. Dedicated committees have been established to oversee key operational aspects and business practices.

Anti-Bribery and Anti-Corruption (ABAC) Module Rollout

HIT introduced a series of policies last year to reaffirm its pledge towards 'zero tolerance' towards unethical conduct at the workplace. These policies were updated on the HR Spine Portal. As part of this effort, an online learning module was launched to help the team refresh their understanding of the policies against unethical conduct. The module was made available in two languages (Hindi and English) and concludes by testing the candidates. All employees have completed this training within the given timelines and successfully passed the test.

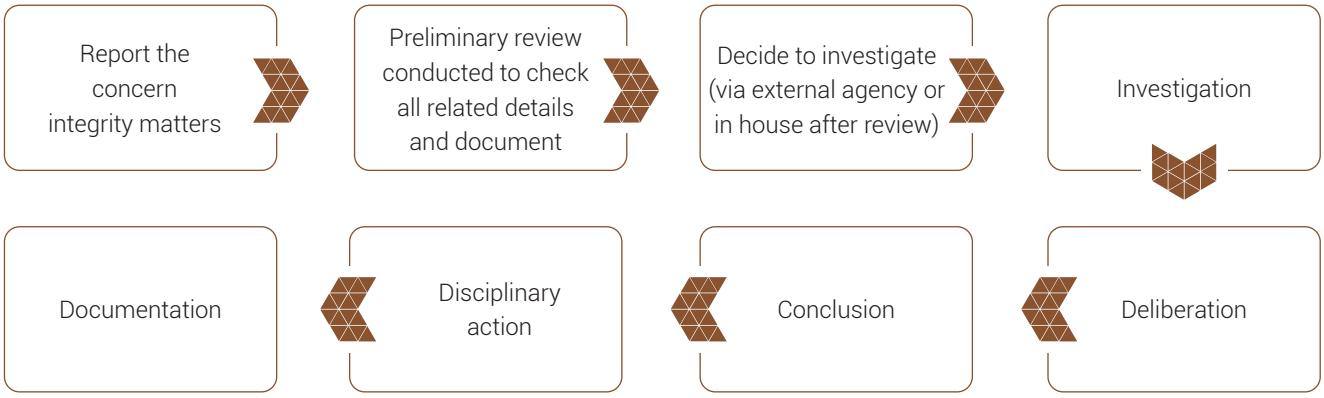
Ethics Line Launch

In line with the commitment to upholding the highest standards of integrity and ethical business conduct HIT launched an Ethics Line. This became operational on June 2, 2023. This provides an appropriate and anonymous channel for reporting concerns related to unethical or illegal practices.

The Ethics Line is a third-party hotline provided by M/s Integrity Matters, an ISO 27001 certified professional service provider assisting organisations in bridging communication gaps by facilitating secure, reliable, and confidential transfer of any concerns alleging unethical practices from reporters to the Board of Directors/Audit Committee. The Ethics Line further strengthens the Vigil Mechanism by ensuring a clear reporting mechanism while protecting the anonymity and confidentiality of the reporter's identity.



Process Flow of Ethicsline



Cyber Security

HIT completed a Cyber Security Assessment by a third-party consultant in 2023, addressing and closing all observed gaps immediately during January 2023. Additionally, following directives from the fund manager, another Cyber Security Assessment was recently conducted by OPTIV. The purpose of this assessment was to establish cyber security standards in alignment with KKR Group's recommendations. To meet these standards, a review was conducted by Optiv Security India Private Limited.

Findings and Remediation Overview

Based on the Review, Optiv identified 47 findings and recommended remediation activities be performed across 8 remediation focuss areas.

Cyber Risk Review

47 **Distinct Review Findings**

Across the review, 47 findings were determined

16 **Distinct Controls Targeted**

A total of 16 distinct controls are targeted to allow the desired baseline to be met

8 **Remediation Focuss Areas**

Remediation roadmap constitutes 8 distinct focuss areas

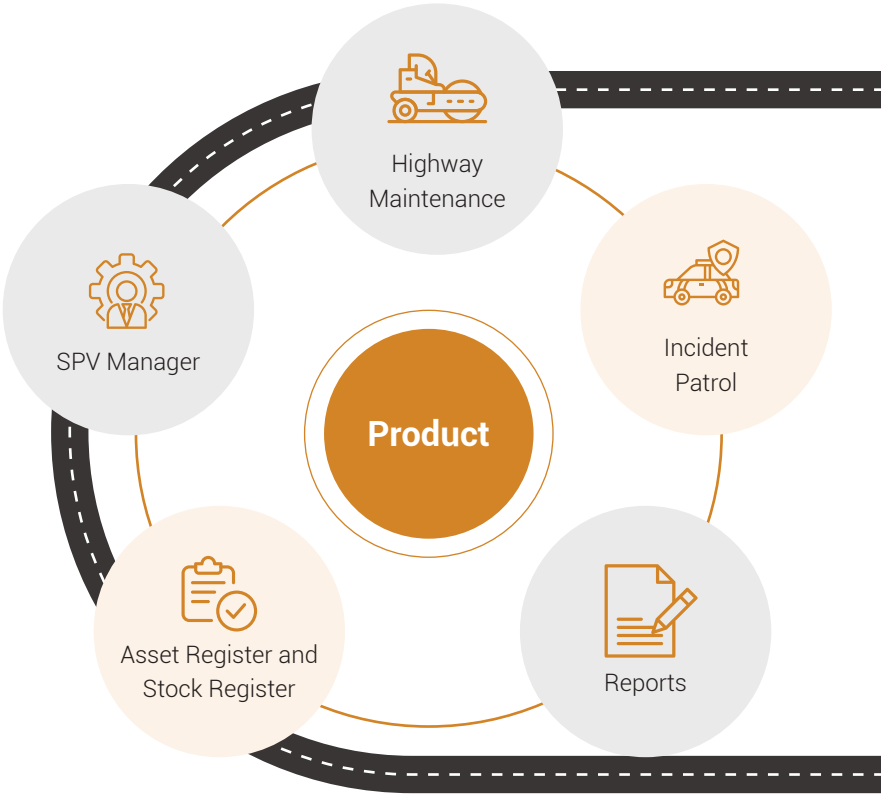


Integrating Technology for Enhanced Efficiency and Security

Road Asset Maintenance Portal (RAMP)

RAMP can make a significant impact by using data analytics. By collecting and analysing data from various sources such as sensors, cameras, and user feedback, RAMP can provide valuable insights into the condition of the road infrastructure and predict potential issues before they occur.

This would enable proactive maintenance activities that are more cost-effective and less disruptive than reactive maintenance. Moreover, it would also help to optimise the allocation of all the resources and prioritise maintenance activities based on their impact on road safety and user experience



Application Highlights

- Maintenance activities are captured with GPS coordinates
- Application supports offline mode in mobile when there is no network coverage and will sync when connectivity is established
- Bolted with approval mechanics in work assignment and closure



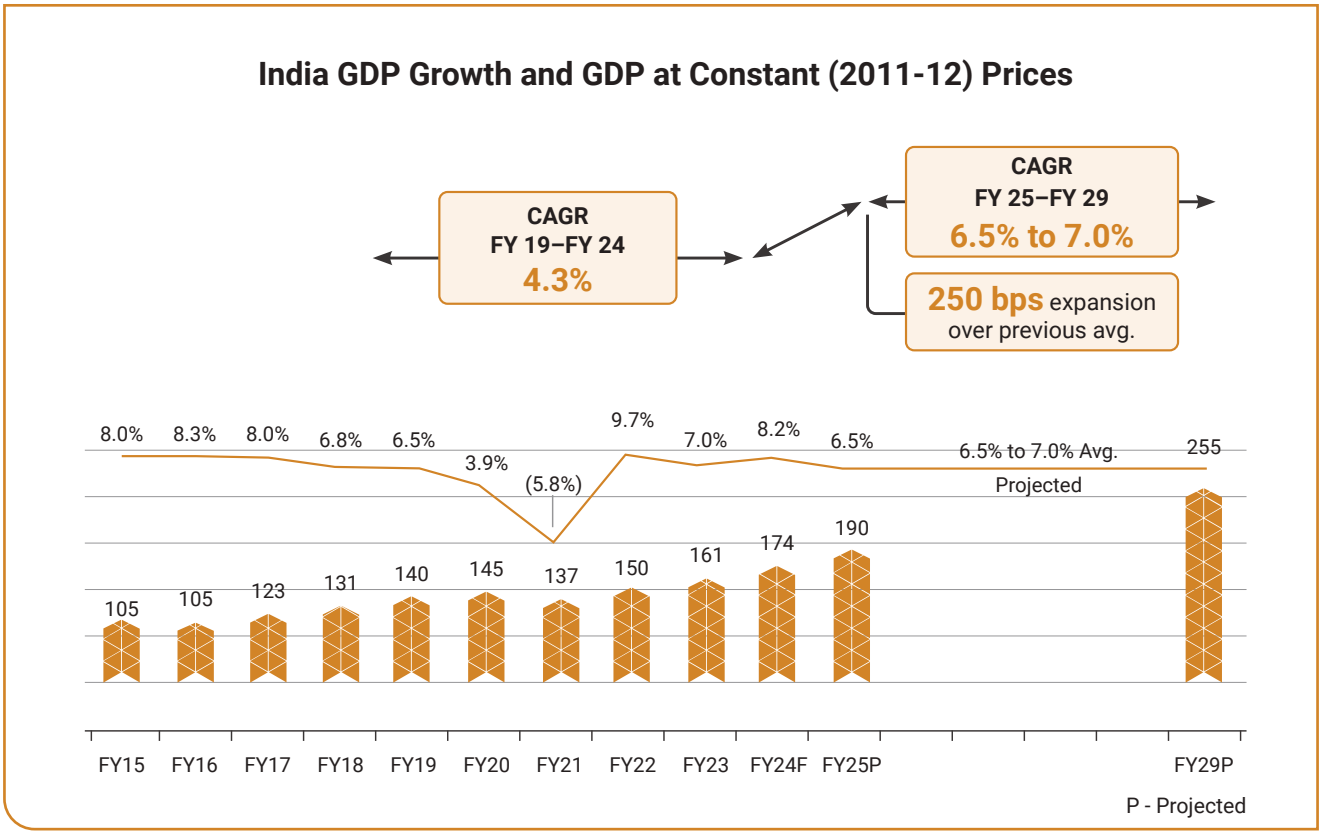
Management Discussion and Analysis

Indian economy growth outlook

Despite multiple global headwinds such as the Russia-Ukraine war, the Gaza crisis, and tightened monetary policies to combat inflation, India continues to exhibit robust growth momentum, driven by key sectors like infrastructure, information technology, services, agriculture, and manufacturing. For 2023-24, India's GDP grew at 8.2% y-o-y (estimated), significantly outpacing the global average of ~3.0% as per the IMF. (Source: National Statistical Office (NSO), IMF, Industry Reports)

https://www.mospi.gov.in/sites/default/files/press_release/PressNoteGDP31052024.pdf & https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023

This growth is supported by strong domestic consumption, substantial private investment, and strategic infrastructure developments. Additionally, India's economic outlook is buoyed by structural reforms, a resilient private sector, and increasing foreign direct investment as global supply chains diversify.



[Source: National Statistical Office (NSO), IMF, projections considered from Deloitte & RBI (GDP growth Numbers https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html Reserve Bank of India - Publications (rbi.org.in)]

India's infrastructure opportunity – Highways sector to continue to witness robust growth

India's infrastructure development is undergoing a transformative phase with the PM Gati Shakti National Master Plan. This plan aims to create a unified and efficient infrastructure ecosystem, paving the way towards the Amritkal Vision for 2047.

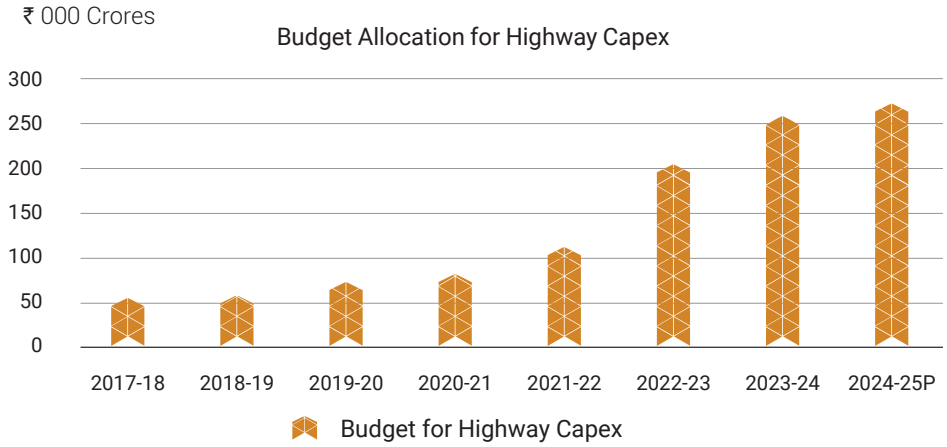
Under Gati Shakti, several key sectors work collaboratively to enhance multi-modal connectivity, which includes roadways, railways, airways, shipping, waterways and communications along with integrated Multi-Modal Logistics Parks (MMLPs). Gati Shakti aims to improve logistics efficiency, reduce transportation costs, and promote economic growth, making India an attractive investment destination.

Key initiatives like Bharatmala Pariyojana and Sagarmala exemplify the progress, highlighting substantial gains in logistics efficiency and connectivity. Successful endeavours such as the Mumbai-Delhi Expressway and the Dedicated Freight Corridors showcase significant improvements in transit times and logistics costs, underscoring the initiative's impact.

Road construction over the last ten years nearly equals what occurred over the previous 65 years. Growth in capex is to be supported by Bharatmala and NIP. The construction of national highways in India has shown a consistent rise, progressing from 98,000 km in 2014-15 to ~146,000 km in 2022-23. (Source: pib.gov.in/PressReleaseIframePage.aspx?PRID=1993425)

Over the past two years, road capital expenditure alone has accounted for around half of the Centre's total capital expenditure (excluding defence capex). Notably, the government's capital expenditure in road transport and highways has demonstrated a robust Compound Annual Growth Rate (CAGR) of approximately 40% over the last decade

Growth in Capex to be Supported by Bharatmala and NIP



As seen in the chart above roads & highways as a sector to remain in focus going forward.

[Source: NHAI, MoRTH, State budget documents, PMGSY, Ministry of Finance, Budget 2024: Focus on infra, capex allocation up for road transport ministry | Mint article (livemint.com)]



HAM and TOT models enhance visibility and monetisation of Indian highways, with BOT-Toll changes opening further opportunities

1. **Hybrid Annuity Model (HAM):** Was introduced to address the limitations and inefficiencies of BOT-Toll projects. HAM has significantly benefitted the industry by reducing capital requirements for PPP participation, thereby expanding the pool of eligible developers. This model has also expedited project development by ensuring 90% land availability prior to project initiation in most cases, and has protected developers from material cost escalations through inflation-linked grants and annuity payouts. Furthermore, it has bolstered lender participation by providing annuity-backed cash flows. Consequently, HAM has facilitated more rapid and efficient project execution, enhanced stakeholder confidence, and led to advancements in infrastructure development and economic growth. The model's success is evident in the increased number of highway projects completed on time and within budget, contributing to India's economic growth.
2. **Toll Operate Transfer (TOT) Model:** The Toll Operate Transfer (TOT) model has enabled efficient capital deployment by allowing large funds to bid on established highway stretches. This approach has attracted substantial investments and enabled the government to channel monetisation proceeds into new infrastructure projects. After facing challenges in 2021-22 and 2022-23, with only ₹ 9,500 Crores monetised due to project cancellations and non-awards, the model achieved 100% success in 2023-24 with no cancellations, monetising ₹ 16,000 Crores given enhanced investor participation and confidence in the model. This success underscores the model's potential to continue driving investment in the sector, providing a reliable revenue stream for the government and improving road infrastructure.
3. **Build-Operate-Transfer (BOT) - Toll Model:** With the authority (NHAI), introducing several significant changes to the model Concession Agreement to enhance its attractiveness, which include reimbursing toll revenue losses caused by reductions in tolling length attributable to the authority, linking change of scope costs to inflation, ensuring that design fees are payable and increased maintenance costs are reimbursed, providing clarity on buyback requirements due to the need for capacity augmentation on the stretch, delinking the punch list from the asset sale process in cases where land is unavailable from the authority, and reducing the bank guarantee amount from 5% to 3%, while promoting alternative forms of guarantees such as surety bonds. These updates ensure wider industry participation and add to the future pipeline for expansion, opening new avenues for monetisation. By addressing key concerns of investors, lenders, and developers, the NHAI is fostering a more favourable environment for infrastructure development and investment. These reforms are expected to drive increased participation and investment in the BOT-Toll model, enhancing the overall growth and sustainability of India's highway infrastructure.

These three models—HAM, TOT, and BOT-Toll—together create a robust framework for the development and monetisation of Indian highways, driving infrastructure growth and economic development.

Source: NHAI, MoRTH & Management estimates

Technology Adaptiveness Improving LOS, Reducing Costs and Improving Collection Efficiencies

The introduction of FASTag significantly improved the level of service (LOS) for toll users by streamlining the toll collection process. This electronic toll collection system reduced waiting times at toll plazas, ensuring a smoother and faster travel experience. Additionally, FASTag minimised cash handling, thereby reducing leakages and improving toll collection efficiency and accuracy.

Building on this success, the implementation of GNSS (Global Navigation Satellite Systems) by NHAI is set to further enhance the LOS for highway users. GNSS will eliminate the need for toll plazas altogether, enabling seamless and uninterrupted travel. This technology will ensure even faster transit times, completely removing the need for vehicles to stop for toll payments. Furthermore, GNSS will improve operational efficiency, save on operational costs, and significantly enhance the overall travel experience on Indian highways.

With such positive impetus, asset monetisation should take centre stage with increased investor participation aided by InvITs

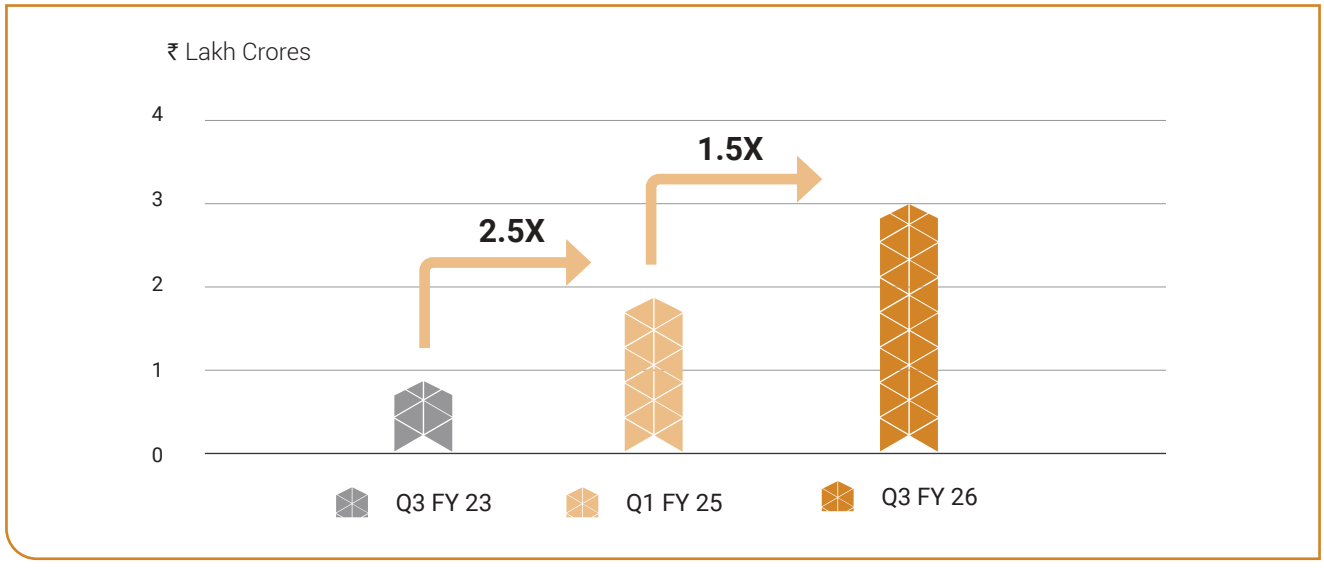
As NHAI is looking to accelerate asset development, asset monetisation will be crucial to maintaining or accelerating highway development. Considering the hugely successful outcomes so far, this programme should take centre stage with increased investor participation aided by InvITs. Asset monetisation is vital for NHAI in managing debt while funding new highway projects essential for expanding and modernising India's road network. By mobilising budgetary resources independently of government allocations, NHAI ensures continuous development. The structured categorisation of assets attracts diverse investors, bringing in capital and innovation. Additionally, transferring operational responsibilities to private entities through TOT and InvIT modes improves highway management and service quality while reducing NHAI's operational burden.

In the global and domestic fund landscape, the infrastructure asset class has emerged as a resilient and effective investment avenue in the post-pandemic era. For instance, in India, InvITs (Infrastructure Investment Trusts) have gained significant traction as a popular investment vehicle. Currently, there are 24 SEBI-registered InvITs, with over 50% (14 InvITs) focussed on the road sector.

As of Q1 2024-25, InvITs and REITs as an asset class, manage ₹ 5.5 Lakh Crores AUM (Assets Under Management), with road InvITs alone accounting for around ₹ 1.8 Lakh Crores. Supported by strong counterparties like NHAI, a long operational track record of Toll assets (under TOT), and the large capital deployment opportunity at hand, we believe the share of AUM under road InvITs is expected to grow to over ₹ 3 Lakh Crores in the short term.

Given these developments, roads stand out as the biggest asset class with the best performance, attracting both global and domestic funds. The success and reliability of the road sector make it an appealing investment choice, reinforcing the need for a robust asset monetisation strategy to drive future growth and development.

Highway-focussed InvITs have seen rapid growth in AUM over the past few years



Source: Management Estimates

Management Discussion and Analysis (Contd.)

Large pipeline exits for highway-oriented InvITs to grow without compromising on asset quality and standards

HAM

NHAI awarded HAM projects worth over ₹ 5.5 Lakh Crores up to March 2024, presenting a ₹ 3 Lakh Crores acquisition opportunity. Approximately ₹ 50,000 Crores of assets have already been transacted.

₹ 2 to 2.5 Lakh Crores
of Acquisition opportunity

TOT



ToT assets with a revenue potential of ~₹ 5,000 Crores are likely to be awarded by NHAI in the next 12 to 18 months, translating to an opportunity of ₹ 55K to ₹ 65k Crores.

Further, it is to be noted that, as per the data published by IHMCL, toll collections across India stood at ₹ 5,000 Crores in the month of March 2024. This translates to an annual revenue potential of around ₹ 55,000 to ₹ 60,000 Crores, indicating that over the next 5 years we will have a tentative acquisition pipeline of 3.5 to 4 Lakh Crores.

₹ 3.5 to 4 Lakh Crores
of Acquisition opportunity

BOT-Toll

EPC developers are likely to increase participation in BOT-Toll projects. Many industry players use an asset churn strategy, creating a long-term pipeline for InvITs. NHAI plans to award projects worth ~₹ 50,000 Crores in the next 12 months and the trend is likely to continue over the next 2 to 4 years.

₹ 2.5 to 3 Lakh Crores
of Acquisition opportunity

Roads sector potential acquisition opportunity size

₹ 8 to 10 Lakh Crores
of Acquisition opportunity

Investment Manager's Brief Report on Activities of the Trust

Period under coverage April 01 2023 to March 31, 2024

This report provides an overview of the key activities, performance, and strategic developments of the Highways Infrastructure Trust or the "Trust" during the reporting period. The Trust remains committed to achieving its investment objectives while managing risks and adhering to its investment philosophy. The Highways Infrastructure Trust is registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") on December 23, 2021, with registration number IN/InvIT/21-22/0019.

The Trust's principal investment objective is to operate as an Infrastructure Investment Trust (InvIT) under the InvIT Regulations. The Trust is permitted to undertake investments in any manner permissible under, and in accordance with, the InvIT Regulations and applicable laws. This includes investments in special purpose vehicles (SPVs) in India as allowed under the InvIT Regulations.

The Sponsor of the Trust is affiliated with funds, vehicles, and entities managed and/or advised by affiliates of KKR & Co Inc. Currently, the Sponsor is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority-owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. This year Nebula Asia Holdings II Pte. Limited ("Nebula") also invested in the Trust. Nebula is wholly owned by Nebula I Investments Pte. Limited, which is in turn majority-owned by KKR Asia Pacific Infrastructure Holdings II Pte. Limited, which is wholly owned by KKR Asia Pacific Infrastructure Investors II SCSp.

Asset Under Management

The Trust's assets under management (AUM) increased to ₹ 102 Bn as of March 31, 2024, up from ₹ 54 Bn as of March 31, 2023, due to significant investments in 2023-24. Eight new project stretches were added to the existing portfolio in 2023-24, increasing the total number of project stretches from 6 to 14. For more information, refer to page 99-101.

To fund these investments, the Trust engaged in various capital-raising activities as follows:

Type of Fund Raising	Number of Units Issued	Issue Price (in ₹)	Funds Raised (in ₹ Mn)
Rights issue	6,59,31,294	77.96	5,140.00
Preferential issue	26,54,54,540	82.50	21,900.00

A majority of this capital influx has been strategically utilised to acquire new assets and expand the portfolio.

Summary of Consolidated Financial Performance

Refer to page 210-321 for detailed financials.

₹ Mn

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total income and gains	14,673.83	6,431.07
Total expenses and losses	12,785.08	5,466.59
Profit before exceptional items and tax for the year	1,888.75	964.48
Exceptional items	(3,689.54)	-
Total tax expense	209.20	622.49
Net (loss)/profit for the year	(2,009.99)	341.99
EBITDA	6,751.32	4,321.04

₹ Mn

Particulars	As on March 31, 2024	As on March 31, 2023
Total assets	82,983.85	23,635.57
Total equity	31,621.68	4,381.66

Report on Corporate Governance

Investment Manager of the Trust

Highway Concessions One Private Limited (**"Investment Manager"**), has been the investment manager of the Trust since November 23, 2022. Prior to such date, Virescent Infrastructure Investment Manager Private Limited acted as the investment manager of the Trust.

Corporate Governance Report as per 26K of InvIT regulation are attached on page no. 77-96 as Annexure A.

Board of Directors

As on date of this report, the Investment Manager has eight directors. The Board of Directors of the Investment Manager is duly constituted with four independent directors (including one woman director), two non-executive directors, one additional executive whole-time director and one unitholder nominee director. All Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise.

The current composition of the board of directors is as follows:

Sr. No.	Name	DIN	Designation	Date of appointment
1	Mr. Hardik Bhadrik Shah	06648474	Non-Executive Director	December 17, 2021
2	Ms. Ami Vinoo Momaya	06836758	Non-Executive Director	January 24, 2022
3	Mr. Janakiraman Subramanian	05299205	Independent Non-Executive Director	March 04, 2022
4	Mr. Manish Agarwal	09730028	Independent Non-Executive Director	September 14, 2022
5	Ms. Sudha Krishnan	02885630	Independent Non-Executive Director	September 14, 2022
6	Mr. Rajesh Kumar Pandey	09428235	Additional Independent Non-Executive Director	May 16, 2024*
7	Mr. Gaurav Chandna	10312924	Additional Executive Whole-Time Director	April 01, 2024**
8	Mr. Stefano Ghezzi	10468375	Unitholder Nominee Director	May 16, 2024***

Notes:

**Mr. Rajesh Kumar Pandey was appointed as additional independent director at its meeting held on May 16, 2024. Such appointment is subject to approval from shareholders of the Investment Manager in accordance with Companies Act, 2013.*

***Mr. Gaurav Chandna was appointed as additional executive whole time director with effect from April 01, 2024. Such appointment is subject to approval from shareholders of the Investment Manager in accordance with Companies Act, 2013*

****Mr. Stefano Ghezzi was appointed as a unitholder nominee director on May 16, 2024 pursuant to provisions of the SEBI InvIT Regulations read with SEBI Circular bearing reference number SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023.*

Additional note: during the year, Mr. Neeraj Sanghi stepped down from the Board of Directors upon achieving superannuation. His details for notation by the unitholders is set out below:

Name	DIN	Designation	Date of Appointment	Date of Cessation
Mr. Neeraj Sanghi	05110400	Whole-Time Director	December 17, 2021	March 31, 2024

Meetings of the Board of Directors:

The meetings of the Board of Directors for the year ended March 31, 2024 were held on May 19, 2023, July 6, 2023, August 11, 2023, August 31, 2023, September 25, 2023, October 20, 2023, November 9, 2023, November 30, 2023, December 18, 2023 January 5, 2024, February 6, 2024 and March 22, 2024. The necessary quorum was maintained for all the meetings.

All directors attended majority of the meetings of the Board held during the period under review. The detailed profile of all directors can be viewed in this report and also on the Trust's website at https://highwaystrust.com/board-of-director/.

I. Statutory Committees of the Board of Directors of the Investment Manager in Relation to Trust

In order to efficiently manage the activities of the Trust, the Investment Manager has established sub-committees of the board and certain executive committees. Such committees are compliant with Regulation 26G of SEBI InvIT Regulations read with the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**).

A brief outline of the committees is set out below:

A. Audit Committee:

The Audit Committee is a sub-committee of the Board of Directors established in accordance with Regulation 26G of SEBI InvIT Regulations read with Regulation 18 of SEBI LODR Regulations.

(i) Composition

The Audit Committee is a sub-committee of the Board of Directors of the Investment Manager, and

as per the terms of reference, at all times the Audit Committee is required to have minimum 3 (three) directors with at least two third independent directors. Further, the chairman of the Audit Committee is required to be an independent director. All members of the Audit Committee are financially literate, and the Chairperson of the Committee has accounting and related financial management expertise. The quorum shall be either 2 (two) members or one third of the members of the Audit Committee, whichever is greater, with atleast two independent directors present physically or through any audio visual means.

The current composition of the Audit Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Janakiraman Subramanian	Independent Director (Chairman)
Ms. Sudha Krishnan	Independent Director
Mr. Hardik Shah	Non-Executive Director

(ii) Terms of reference of the Audit Committee

The main objective of the Audit Committee is to assist the Board of Directors in fulfilling its fiduciary responsibilities in connection with financial matters towards the Trust in the best interest of all stakeholders of the Trust, the Investment Manager and SPVs. The areas of work for the Audit Committee, inter alia include:

- Provide recommendations to the Board of Directors regarding any proposed distributions;
- Monitor the net distributable cashflows payable to the unitholders of the Trust;
- Overseeing Trust's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- To review the interim financial statements to be submitted by the Trust, the Company or the SPVs to any shareholders, unitholders and regulatory or statutory authorities;
- Giving recommendations to the Board of Directors regarding appointment, reappointment and replacement, remuneration and terms of appointment of the statutory auditor and internal auditor of the Trust and the audit fee, subject to the approval of the unitholders;
- Reviewing and monitoring the independence and performance of the statutory auditor of the Trust and effectiveness of the audit process;
- Approving payments to statutory auditors of the Trust for any other services rendered by such statutory auditors;
- Reviewing the annual financial statements and auditor's report thereon of the Trust, before submission to the board of directors for approval, with particular reference to changes, if any, in accounting policies and practices and reasons for such change; major accounting entries involving estimates based on the exercise of judgment by management; significant adjustments made in the financial statements arising out of audit findings; compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions; and modified opinion in the draft audit report;
- Reviewing, with the management, all periodic financial statements, including but not limited to quarterly/ half-yearly and annual financial statements of the Trust before submission to the board of directors for approval as applicable;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue of units by the Trust (public issue, rights issue, preferential issue, etc.) and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the board of directors for follow-up action;
- Approval or any subsequent modifications of transactions of the Trust with related parties including reviewing agreements or transactions in this regard;
- Scrutinising inter-corporate loans and investments of the Trust;
- Reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;
- Reviewing and recommending the appointment (including terms thereof) of valuers to the board to undertake valuations

of the assets held by the SPVs and the Trust including appointment of registered valuer in terms of SEBI InvIT Regulations;

- Evaluating financial controls and risk management systems of the Trust;
- Reviewing, with the management, the performance of statutory auditors of the Trust, and adequacy of the internal control systems, as necessary;
- Reviewing the adequacy of internal audit function if any of the Trust, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Reviewing the findings of any internal investigations in relation to the Trust, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;
- Reviewing the procedures put in place by the Investment Manager for managing any conflict that may arise between the interests of the unitholders, the parties to the Trust and the interests of the Investment Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Investment Manager, and the setting of fee or charges payable out of the Trust assets;
- Discussing with statutory auditors and valuers prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/ valuation discussion to ascertain any area of concern;
- Reviewing and monitoring the independence and performance of the valuer of the Trust;
- Evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the SPVs to the Trust and payments to any creditors of the Trust or the SPVs, and recommending remedial measures;
- Reviewing management's discussion and analysis of financial condition and results of operations;
- Reviewing and overseeing the functioning of the whistle blower/ vigil mechanism;
- Discussion with internal auditors on any significant findings and follow up thereon;
- Noting the report of the compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and verify that the systems for internal control are adequate and are operating effectively;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- To do all such acts, deeds and things as may be required to be undertaken in accordance with the applicable law, rules and regulations applicable to the Trust/SPVs;
- To consider any other additional matters, as may be delegated from time to time, by the Board; and
- To delegate to the officials such powers of the Committee as may be deemed fit by the Committee.

The full details of the terms of reference of the Committee are also available on the Trust' website on https://highwaystrust.com/board-committees

(iii) Meetings of the Audit Committee

Audit Committee meetings for the year ended March 31, 2024 were held on May 19, 2023, July 6, 2023, August 11, 2023, September 25, 2023, October 20, 2023, November 9, 2023, December 18, 2023 January 5, 2024, February 6, 2024 and March 22, 2024. The necessary quorum was maintained for all the meetings.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is a committee constituted in accordance with the Regulation 26G of SEBI InvIT Regulations read with Regulation 19 of SEBI LODR Regulations.

(i) Composition

The NRC is a sub-committee of the Board of Directors of the Investment Manager, and as per the terms of reference, the NRC shall comprise of all Independent Directors. The quorum of meeting of the NRC is either two (2) members or one third of the members of the NRC, whichever is greater.

The composition of the NRC is as follows:

Name of Committee Members	Category
Mr. Manish Agarwal	Independent Director (Chairman)
Ms. Sudha Krishnan	Independent Director
Mr. Janakiraman Subramanian	Independent Director

(ii) Terms of reference of the NRC Committee

The terms of reference of the NRC are as follows:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board of Directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board of Directors for appointment as an independent director shall have the capabilities identified in such description;
- For the purpose of identifying suitable candidates, the NRC may:
  a. use the services of external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.
- Devising a policy on diversity for the Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Recommend to the Board of Directors extension or continuation of the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management; and
- Performing such other activities as may be delegated by the board of directors of the Company and/or are statutorily prescribed under any law to be attended to by the NRC.

The full details of the terms of reference of the NRC are also available on the Trust's website on https://highwaystrust.com/board-committees/

(iii) Meetings of the NRC Committee

The NRC meetings for the year ended March 31, 2024 were held on August 31, 2023, September 25, 2023, February 6, 2024 and March 22, 2024. The necessary quorum was maintained for all the meetings.

C. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee ("SRC") has been constituted pursuant to Regulation 26G of SEBI InvIT Regulations read with Regulation 20 of LODR Regulations.

(i) Composition

The SRC is a sub-committee of the Board of Directors of the Investment Manager, and as per the terms of reference, the SRC is required to comprise at least 3 (three) directors with at least one Independent Director. The Chairperson of the Committee is Independent Director. The quorum for meeting of the SRC is presence of at least 2 directors .

The composition of the SRC is as follows:

Name of Committee Members	CATEGORY
Mr. Janakiraman Subramanian	Independent Director (Chairman)
Ms. Ami Vinoo Momaya	Non-Executive Director
Mr. Gaurav Chandna*	Joint CEO & Additional Executive Director

*Note: *Mr. Neeraj Sanghi, the erstwhile CEO cum Whole-Time Director was a member of the SRC until March 31, 2024 (close of business hours) and in his place, Mr. Gaurav Chandna was inducted as a member of the SRC w.e.f. April 01, 2024.*

(ii) Terms of reference of the SRC

- Considering and resolving grievances of the unitholders, including complaints related

to the transfer of units, non-receipt of annual report and non-receipt of declared distributions;

- Considering and resolving grievances of the debenture holders;
- Review of measures taken for effective exercise of voting rights by unitholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing of any litigation related to unitholders'/ debenture holders grievances;
- Undertaking all functions in relation to protection of unitholders' / debenture holders' interests and resolution of any conflicts, including reviewing agreements or transactions in this regard;
- Updating unitholders' / debenture holders' on acquisition / sale of assets by the Company and any change in the capital structure of the SPVs; and
- Reporting specific material litigation related to unitholders' / debenture holders' grievances to the board of directors;

The full details of the terms of reference of the SRC are also available on the Trust's website on https://highwaystrust.com/board-committees/

(iii) Meetings of the Stakeholders' Relationship Committee

The SRC meeting was held on May 19, 2023. The necessary quorum was maintained for the meeting.

D. Risk Management Committee:

The Risk Management Committee ("RMC") has been established in accordance with the Regulation 26G of SEBI InvIT Regulations read with Regulation 21 of the LODR Regulations.

(i) Composition

The Committee shall comprise of atleast 3 (three) members with majority of them being members of the Board of directors including atleast one Independent Director. Chairman of the Committee shall be a director and senior executives of the listed entity may be members of the committee. The quorum of meeting of the RMC is at least 2 (two) members or one third of the members of the RMC, whichever is higher, including at least one director.

The composition of the Risk Management Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Manish Agarwal	Independent Director (Chairman)
Mr. Gaurav Chandna*	Joint CEO & Additional Executive Director
Mr. Abhishek Chhajer#	Member

Notes

**Mr. Neeraj Sanghi, the erstwhile CEO cum Whole-Time Director was a member of the RMC until March 31, 2024 (close of business hours) and in his place, Mr. Gaurav Chandna was inducted as a member of the RMC w.e.f. April 01, 2024.*

#Mr. Narayanan Doraiswamy, the erstwhile Chief Financial Officer was a member of the Risk Management Committee until December 31, 2023 and in his place, Mr. Abhishek Chhajer was inducted as a member w.e.f. January 1, 2024.

(ii) Terms of reference of the RMC

The RMC terms of reference are as follows:

- To formulate a detailed Risk Management Policy which shall include:
  a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC.
  b) Measures for risk mitigation including systems and processes for internal control of identified risks
  c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Trust;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- To co-ordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice); and
- The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the RMC period;

The full details of the terms of reference of the RMC is also available on the Trust's website on https://highwaystrust.com/board-committees/

(iii) Meetings of the RMC

RMC meetings was held on January 5, 2024 and February 6, 2024. The necessary quorum was maintained for the meeting.

II. Other Committees of the Board of Directors of the Investment Manager in Relation to Trust

A. InvIT Committee:

The InvIT Committee is a committee constituted by the Board of Directors to assist and advice the Board of Directors on matters in relation to capital raise for the Trust.

(i) Composition:

The composition of the InvIT Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Gaurav Chandna*	Joint CEO & Additional Executive Director
Ms. Ami Momaya	Non-Executive Director

*Note: * Neeraj Sanghi the erstwhile CEO cum Whole-Time Director was a member of the InvIT Committee until March 31, 2024 (close of business hours) and in his place, Mr. Gaurav Chandna was inducted as a member of the InvIT Committee w.e.f. April 01, 2024..*

(ii) Terms of reference of the InvIT Committee

The terms of reference of the InvIT Committee are as follows:

- To do all acts and deeds in relation to any future issues that the Trust may undertake;
- To authorise and approve any amendments to documents in relation to any future issues that the Trust may undertake, including preliminary placement memorandum and placement memorandum;
- To decide and finalise the issue opening and issue closing dates of any future issues that the Trust may undertake;
- To decide and finalise the issue price in relation to any future issues that the Trust may undertake;
- To decide on all matters in relation to allotment of units to investors; and
- To decide on any other matter that may be routed through the InvIT Committee in relation to any fund raising by the Trust.

(iii) Meetings of the InvIT Committee

No InvIT Committee meeting was held during the year ended March 2024.

B. Investment Committee

The Investment Committee ("IC") has been established as a sub-committee of the Board of Directors to assist and recommend on matters in relation to investments and sale of assets by the Trust.

(i) Composition

The IC comprise of two independent directors and two non-independent directors.

The composition of the Investment Committee is as follows:

Name of Committee Members	CATEGORY
Mr. Gaurav Chandna*	Joint CEO & Additional Executive Director
Mr. Hardik Shah	Non-Executive Director
Mr. Manish Agarwal	Independent Director
Ms. Sudha Krishnan	Independent Director

*Notes: *Neeraj Sanghi the erstwhile CEO cum Whole-Time Director was a member of the IC until March 31, 2024 (close of business hours) and in his place, Mr. Gaurav Chandna was inducted as a member of the IC w.e.f. April 01, 2024.*

(ii) Terms of reference of the IC

The terms of reference of the IC are as follows:

- To review every investment and divestment transaction, including the terms of such transaction, with respect to the underlying assets or projects of the Trust and the SPVs including any further investment or divestment
- To evaluate, review and approve all non-binding offers and approve the due diligence and transaction budget for the various

Mergers and Amalgamations/ Takeover/ Acquisitions opportunities

- To evaluate, review and recommend to the Board the various Mergers and Amalgamations/ Takeover/ Acquisitions opportunities
- To review periodically the portfolio investments and monitor the assets of SPVs
- To receive reports from the valuers with respect to valuation of any assets or projects of the Trust

The full details of the terms of reference of the Committee is also available on the Trust's website on https:// highwaystrust.com/board-committees/

(iii) Meetings of the IC

IC meetings were held on April 20, 2023, April 26, 2023, May 19, 2023, June 29, 2023, July 24, 2023, August 11, 2023, September 25, 2023, October 25, 2023, November 28, 2023 and January 12, 2024. The necessary quorum was maintained for all the meetings.

In addition to the above committees, in order to have a robust governance structure, the Investment Manager also has (i) an ESG committee in charge of considering issues on matters falling under ESG domain and corporate social responsibility; and (ii) an Ethics and Compliance Committee in charge of implementation of policies in relation anti-bribery and for promoting ethical conduct.

Sponsor of the Trust

Galaxy Investments II Pte. Ltd. ("Galaxy") is the Sponsor of the Trust. The Sponsor was incorporated on June 11, 2021 in Singapore .

As on date, 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 is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR Co & Inc (together with its affiliates **"KKR"**). Founded in 1976, KKR is a leading global investment firm, with approximately US$553 billion of assets under management as of December 31, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities.

KKR's Business and Financial activities

In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and ~US$59 billion in assets under management within infrastructure.

Today, KKR's Infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends, and may identify and prioritise investments in other sectors as conditions change or cycles evolve.

KKR has invested more than US$11 billion across all asset classes and strategies with over 20 investments made and more than a dozen active portfolio companies today. KKR believes the long-term economic outlook in India is positive given structural reforms, despite recent volatility and continue to see attractive investment opportunities in the country.

India is one of the key markets that KKR's Asia Pacific Infrastructure strategy will actively seek to invest in. KKR believes that population growth is expected to drive significant demand for infrastructure in India over the next 25 years. This, combined with stable macroeconomic indicators, structural reforms, thrust on infrastructure development, and constructive FDI regime will continue to result in high foreign capital inflows and provide the needed impetus to make India a favored infrastructure investment destination.

KKR's track record in India:

KKR's private equity current and past investments in India include, but are not limited to:

- Aricent Group (2009)
- Dalmia Cement (2010)
- Coffee Day Resorts Private Limited (2010)
- Magma Fincorp Limited (2011)
- TVS Logistics Services (2012)
- Alliance Tire Group (2013)
- Gland Pharma (2014)
- Emerald Media (2015)

- Max Financial Services (2016)
- Avendus Capital (2016)
- SBI Life Insurance (2016)
- Indus Towers Limited (f.k.a. Bharti Infratel) (2017 & 2008)
- Max Healthcare Institute (2017)
- Re Sustainability (f.k.a. Ramky Enviro Engineers) (2018)
- Lighthouse Learning (f.k.a. Eurokids) (2019)
- Reliance Jio Platforms (2020)
- Reliance Retail (2020)
- JB Chemicals (2020)
- Five-Star Business Finance (2021)
- Lenskart (2021)
- Vini Cosmetics (2021)
- Ness Digital Engineering (2022)
- Advanta Seeds (2022)
- Sriram Insurance (2022)

KKR's current Infrastructure investments in India include:

- IndiGrid (2019)
- Virescent Infrastructure (2020)
- Highway Concessions One (2021)
- Hero Future Energies (2022)
- Serentica Renewables (2022)
- LEAP India (2023)

Board of Directors of Sponsor

Sr. No.	Name	Date of appointment
1	Mr. Tang Jin Rong	June 11, 2021
2	Ms. Madhura Narawane	January 26, 2022
3	Mr. Goh Ping Hao	August 25, 2023

Trustee of the Trust

Axis Trustee Services Limited ("ATSL" or the "Trustee") is the trustee of the Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a Debenture Trustee since January 31, 2014, having registration number IND000000494.

The Trustee has been promoted by Axis Bank Limited for providing corporate and other trusteeship services and is a wholly-owned subsidiary of Axis Bank Limited. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders. The Trustee has confirmed to the Investment Manager that it has maintained and undertakes to ensure that it will at all times maintain, adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Trust, in accordance with the Trust Deed, the InvIT Regulations and other applicable laws.

Board of Directors of the Trustee

Sr. No.	Name	DIN	Designation	Date of appointment
1	Ms. Deepa Rath	09163254	Managing Director and Chief Executive Office	May 1, 2021
2	Mr. Prashant Joshi	08503064	Additional Non-Executive Director	January 16, 2024
3	Mr. Sumit Bali	02896088	Additional Non-Executive Director	January 16, 2024
4.	Mr. Arun Mehta	08674360	Additional Non-Executive Independent Director	May 03, 2024
5.	Pramod Kumar Nagpal	10041946	Additional Non-Executive Independent Director	May 03, 2024

Valuer of the Trust

Mr. S Sundararaman, Registered Valuer (IBB registration no. IBBI/RV/06/2018/10238) continues to act the valuer (the **"Valuer"**) to the Trust.

ANNEXURE A

Quarterly Compliance Report on Corporate Governance

1. **Name of InvIT – Highways Infrastructure Trust**
2. **Name of the Investment manager – Highway Concessions One Private Limited**
3. **Quarter ending – June 30, 2023**

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	DIN	Category (Chairperson / Non-Independent / Independent / Nominee) &	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)
Mr.	Neeraj Sanghi	05110400	CEO cum Whole-Time Director	17-12-2021	22-11-2022	-	-	1	0	1	0
Mr.	Hardik Bhadrik Shah	06648474	Non-Executive - Non Independent Director	17-12-2021	13-01-2022	-	-	3	0	3	0
Ms.	Ami Momaya	06836758	Non-Executive - Non Independent Director	24-01-2022	30-09-2022	-	-	2	0	3	0
Mr.	Janakiraman Subramanian	05299205	Non-Executive Independent Director	04-03-2022	30-09-2022	-	15.27 months	1	1	2	2
Mr.	Manish Agarwal	09730028	Non-Executive Independent Director	14-09-2022	30-09-2022	-	9.17 months	1	1	0	0
Ms.	Sudha Krishnan	02885630	Non-Executive Independent Director	14-09-2022	30-09-2022	-	9.17 months	1	1	1	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to managing director or CEO – **No**

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ Independent /Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive - Independent Director)	15-11-2022	
		Ms. Sudha Krishnan	(Member) Non-Executive - Independent Director	15-11-2022	
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive - Non-Independent Director	15-11-2022	
2. Nomination and Remuneration Committee	YES	Ms. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Manish Agarwal	(Chairperson) Non-Executive Independent Director	15-11-2022	
		Mr. Janakiraman Subramanian	(Member) Non-Executive Independent Director	31-03-2023	
3. Risk Management Committee	NO, Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	15-11-2022	
4. Stakeholders Relationship Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive Independent Director)	15-11-2022	
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	
5. InvIT Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	
6. Investment Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive – Non-Independent Director	15-11-2022	
		Mr. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	
7. ESG Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Manish Agrawal	(Member) Non-Executive Independent Director	19-05-2023	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	18-08-2022	
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	18-08-2022	
8. Ethics Committee	NO; Chairperson for the committee is elected at the committee meeting	Ms. Meghana Singh	(Member) General Counsel	19-05-2023	
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	19-05-2023	
		Mr. Vidyadhar Dabholkar	(Member) Head of Human Resources	19-05-2023	

III. Meetings of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present	Maximum gap between any two consecutive meetings (in number of days)*
08-02-2023	-	YES	5	3	-
-	19-05-2023	YES	6	3	99

* Excluding the date of meetings held

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
19-05-2023	YES	3	2	08-02-2023	99
Nomination and Remuneration Committee					
No meeting held in the current quarter June 30, 2023				08-02-2023	-
-	-	-	-	24-03-2023	43
Risk Management Committee					
No meeting held in the current quarter ended June 30, 2023				08-02-2023	-
Stakeholder Relationship Committee					
19-05-2023	YES	3	1	08-02-2023	99
Investment Committee					
20-04-2023	YES	4	2	08-02-2023	26
26-04-2023	YES	3	2	17-03-2023	5
19-05-2023	YES	4	2	24-03-2023	22
29-06-2023	YES	4	2	-	40
ESG Committee					
19-06-2023	YES	3	1	-	-
Ethics Committee					
No meeting held in the current quarter June 30, 2023				-	-

* Representing for the current quarter meetings. –

** Excluding the date of meetings held

V. Affirmations

1. The composition of Board of Directors is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
2. The composition of the following Committees is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014;
   a. Audit Committee;
   b. Nomination and Remuneration Committee;
   c. Stakeholders Relationship Committee;
   d. Risk management Committee.
3. The Committee members have been made aware of their powers, role and responsibilities as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
4. The meetings of the Board of Directors and the above Committees have been conducted in the manner as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
5. This report and/or the report submitted in the previous quarter has been placed before of the Board of Directors of the Investment Manager i.e. Highway Concessions One Private Limited. Any comments/observations/advice of Board of Directors may be mentioned here: NIL

For **Highway Concessions One Private Limited**

(Acting in its capacity as Investment Manager of Highways Infrastructure Trust)

Name: Kunjal Shah
Designation: Company Secretary and Compliance Officer
ACS No. A27382

Place: Mumbai

1. **Name of InvIT – Highways Infrastructure Trust**
2. **Name of the Investment manager – Highway Concessions One Private Limited**
3. **Quarter ending – September 30, 2023**

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	DIN	Category (Chairperson / Non-Independent / Independent / Nominee)	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)
Mr.	Neeraj Sanghi	05110400	CEO cum Whole-Time Director	17-12-2021		-	-	1	0	1	0
Mr.	Hardik Bhadrik Shah	06648474	Non-Executive - Non Independent Director	17-12-2021		-	-	2	0	1	0
Ms.	Ami Momaya	06836758	Non-Executive - Non Independent Director	24-01-2022		-	-	2	0	3	0
Mr.	Janakiraman Subramanian	05299205	Non-Executive Independent Director	04-03-2022	04-03-2022	-	18.27 months	1	1	2	2
Mr.	Manish Agarwal	09730028	Non-Executive Independent Director	14-09-2022	14-09-2022	-	12.17 months	1	1	0	0
Ms	Sudha Krishnan	02885630	Non-Executive Independent Director	14-09-2022	14-09-2022	-	12.17 months	1	1	1	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to managing director or CEO – **No**

* Tenure would mean total period from which Independent director is serving on Board of directors of the investment manager in continuity without any cooling off period.

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/Non-Independent/ Independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive - Independent Director)	15-11-2022	
		Ms. Sudha Krishnan	(Member) Non-Executive - Independent Director	15-11-2022	
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive - Non-Independent Director	15-11-2022	
2. Nomination and Remuneration Committee	YES	Ms. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Manish Agarwal	(Chairperson) Non-Executive Independent Director	15-11-2022	
		Mr. Janakiraman Subramanian	(Member) Non-Executive Independent Director	31-03-2023	
3. Risk Management Committee	NO, Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	15-11-2022	
4. Stakeholders Relationship Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive Independent Director)	15-11-2022	
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	
5. InvIT Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	
6. Investment Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive – Non-Independent Director	15-11-2022	
		Mr. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	
7. ESG Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Manish Agrawal	(Member) Non-Executive Independent Director	19-05-2023	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	18-08-2022	
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	18-08-2022	
8. Ethics Committee	NO; Chairperson for the committee is elected at the committee meeting	Ms. Meghana Singh	(Member) General Counsel	19-05-2023	
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	19-05-2023	
		Mr. Vidyadhar Dabholkar	(Member) Head of Human Resources	19-05-2023	

* Excluding the date of meetings held in previous quarter

III. Meetings of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present	Maximum gap between any two consecutive meetings (in number of days)*
19-05-2023	-	-	-	-	-
-	06-07-2023	YES	5	3	47
	11-08-2023	YES	6	3	35
	31-08-2023	YES	5	3	19
	25-09-2023	YES	5	3	24

* Excluding the date of meetings held in previous quarter

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
-	-	-	-	19-05-2023	-
06-07-2023	YES	3	2	-	47
11-08-2023	YES	3	2	-	35
25-09-2023	YES	2	2	-	44
Nomination and Remuneration Committee					
31.08.2023	YES	3	3	-	159
25.09.2023	YES	3	3		24
Risk Management Committee					
No meeting held in the current quarter ended September 30, 2023				-	-
Stakeholder Relationship Committee					
No meeting held in the current quarter ended September 30, 2023				19-05-2023	99
Investment Committee					
-	-	-	-	20-04-2023	26
-	-	-	-	26-04-2023	5
-	-	-	-	19-05-2023	22
-	-	-	-	29-06-2023	40
24-07-2023	YES	4	2	-	24
11-08-2023	YES	3	2	-	17
25-09-2023	YES	3	2	-	44

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
ESG Committee					
-	-	-	-	19-06-2023	NA
06-07-2023	YES	2	1	-	16
				-	-
Ethics Committee					
18-08-2023	YES	3#	NA	-	-

* Representing for the current quarter meetings.
** Excluding the date of meetings held in previous quarter
The ESG Committee consists of members other than Director

V. Affirmations

1. The composition of Board of Directors is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
2. The composition of the following Committees is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014;
   a. Audit Committee;
   b. Nomination and Remuneration Committee;
   c. Stakeholders Relationship Committee;
   d. Risk management Committee.
3. The Committee members have been made aware of their powers, role and responsibilities as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
4. The meetings of the Board of Directors and the above Committees have been conducted in the manner as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
5. This report and/or the report submitted in the previous quarter has been placed before of the Board of Directors of the Investment Manager i.e. Highway Concessions One Private Limited. Any comments/observations/advice of Board of Directors may be mentioned here: NIL

For **Highway Concessions One Private Limited**

(Acting in its capacity as Investment Manager of Highways Infrastructure Trust)

Name: Kunjal Shah
Designation: Company Secretary and Compliance Officer
ACS No. A27382

Place: Mumbai

1. Name of InvIT - Highways Infrastructure Trust

2. Name of the Investment Manager - Highway Concessions One Private Limited

3. Quarter ending - December 31, 2023

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	DIN	Category (Chairperson / Non-Independent / Independent / Nominee)	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)
Mr.	Neeraj Sanghi	05110400	CEO cum Whole-Time Director	17-12-2021	-	-	-	1	0	1	0
Mr.	Hardik Bhadrik Shah	06648474	Non-Executive Non-Independent Director	17-12-2021	-	-	-	2	0	1	0
Ms.	Ami Momaya	06836758	Non-Executive Non-Independent Director	24-01-2022	-	-	-	2	0	3	0
Mr.	Janakiraman Subramanian	05299205	Non-Executive Independent Director	04-03-2022	-	-	21.27 Months, i.e. 21 months and 27 days	1	1	2	2
Mr.	Manish Agarwal	09730028	Non-Executive Independent Director	14-09-2022	-	-	15.17 Months, i.e. 15 months and 17 days	1	1	0	0
Ms.	Sudha Krishnan	02885630	Non-Executive Independent Director	14-09-2022	-	-	15.17 Months, i.e. 15 months and 17 days	1	1	1	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to managing director or CEO – **No**

* Tenure would mean total period from which Independent Director is serving on Board of directors of the investment manager in continuity without any cooling off period.

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ Independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive - Independent Director)	15-11-2022	-
		Ms. Sudha Krishnan	(Member) Non-Executive - Independent Director	15-11-2022	-
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive- Non-Independent Director	15-11-2022	-
2. Nomination and Remuneration Committee	YES	Ms. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	-
		Mr. Manish Agarwal	(Chairperson) Non-Executive Independent Director	15-11-2022	-
		Mr. Janakiraman Subramanian	(Member) Non-Executive Independent Director	31-03-2023	-
3. Risk Management Committee	NO, Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	-
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	-
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	15-11-2022	09-11-2023#
		Mr. Abhishek Chhajer#	Member	09-11-2023	
4. Stakeholders Relationship Committee	YES	Mr. Janakiraman Subramanian	Chairperson (Non-Executive Independent Director)	15-11-2022	-
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	-
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	-
5. InvIT Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	-
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	-
6. Investment Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	15-11-2022	-
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive – Non-Independent Director	15-11-2022	-
		Mr. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	-
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	-
7. ESG Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Manish Agrawal	(Member) Non-Executive Independent Director	19-05-2023	-
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	18-08-2022	-
		Mr. Neeraj Sanghi	(Member) CEO cum Whole-Time Director	18-08-2022	-
8. Ethics Committee	NO; Chairperson for the committee is elected at the committee meeting	Ms. Meghana Singh	(Member) General Counsel	19-05-2023	-
		Mr. Narayanan Doraiswamy	(Member) Chief Financial Officer	19-05-2023	09-11-2023#
		Mr. Abhishek Chhajer#	Member	09-11-2023	-
		Mr. Vidyadhar Dabholkar	(Member) Head of Human Resources	19-05-2023	-

Mr. Narayanan Doraiswamy, (Member) Chief Financial Officer has ceased as a member from the Risk Management Committee and Ethics Committee w.e.f. 09-11-2023. Further, Mr. Abhishek Chhajer was inducted in place of Mr. Narayanan Doraiswamy on the same date.

It may be noted that Mr. Narayanan Doraiswamy, Chief Financial Officer (CFO), of the Investment Manager the Trust, ceases to be the Chief Financial Officer (and a part of Key Managerial Personnel (KMP) and Senior Management) under the applicable provisions of the Companies Act, 2013, SEBI InvIT Regulations and SEBI LODR Regulations w.e.f. 31-12-23 (end of business hours). Mr. Abhishek Chhajer was appointed as the Chief Financial Officer (and a part of Key Managerial Personnel (KMP) and Senior Management) of the Investment Manager under the applicable provisions of the Companies Act, 2013, SEBI InvIT Regulations and SEBI LODR Regulations w.e.f. January 01, 2024.

III. Meetings of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present	Maximum gap between any two consecutive meetings (in number of days)*
06-07-2023	-	-	-	-	-
11-08-2023	-	-	-	-	-
31-08-2023	-	-	-	-	-
25-09-2023	-	-	-	-	-
-	20-10-2023	YES	4	2	24
-	09-11-2023	YES	4	3	19
-	30-11-2023	YES	5	3	20
-	18-12-2023	YES	5	3	17

* Excluding the date of meetings held in previous quarter

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
-	-	-	-	06-07-2023	-
-	-	-	-	11-08-2023	-
-	-	-	-	25-09-2023	-
20-10-2023	Yes	2	2		24
09-11-2023	Yes	2	2		19
18-12-2023	Yes	2	2		38
Nomination and Remuneration Committee					
-	-	-	-	31-08-2023	
-	-	-	-	25-09-2023	
No meeting held in the current quarter ended December 31, 2023					
Risk Management Committee					
No meeting held in the current quarter ended December 31, 2023				-	-
Stakeholder Relationship Committee					
No meeting held in the current quarter ended December 31, 2023				-	-
Investment Committee					
-	-	-	-	24-07-2023	-
-	-	-	-	11-08-2023	-
-	-	-	-	25-09-2023	-
25-10-2023	Yes	4	2	-	29
28-11-2023	Yes	4	2	-	33

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
ESG Committee					
-	-	-	-	06-07-2023	-
No meeting held in the current quarter ended December 31, 2023				-	-
Ethics Committee					
-	-	-	-	18-08-2023	-
13-10-2023	Yes	NA	NA	-	55
Ethics Committee is an executive committee with no board members. However, chairman of the Audit Committee is invited as a special invitee on need basis.					

* Representing for the current quarter meetings.

** Excluding the date of meetings held in previous quarter.

V. Affirmations

1. The composition of Board of Directors is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
2. The composition of the following Committees is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014;
   a. Audit Committee;
   b. Nomination and Remuneration Committee;
   c. Stakeholders Relationship Committee;
   d. Risk management Committee.
3. The Committee members have been made aware of their powers, role and responsibilities as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
4. The meetings of the Board of Directors and the above Committees have been conducted in the manner as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014.
5. This report and/or the report submitted in the previous quarter has been placed before of the Board of Directors of the Investment Manager i.e. Highway Concessions One Private Limited. Any comments/observations/advice of Board of Directors may be mentioned here: NIL.

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

Name: Kunjal Shah
Designation: Company Secretary & Compliance Officer
ACS No. A27382

Place: Mumbai
Date: January 17 ,2024

1. Name of InvIT - Highways Infrastructure Trust

2. Name of the Investment Manager - Highway Concessions One Private Limited

3. Quarter ending - March 31, 2024

PART-A

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	DIN	Category (Chairperson / Non-Independent / Independent / Nominee)	Initial Date of Appointment	Date of Re-appointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)
Mr.	Neeraj SanghiNote 1	05110400	CEO cum Whole-Time Director	17-12-2021	-	31-03-2024	-	1	0	1	0
Mr.	Hardik Bhadrik Shah	06648474	Non-Executive Non-Independent Director	17-12-2021	-	-	-	2	0	1	0
Ms.	Ami Momaya	06836758	Non-Executive Non-Independent Director	24-01-2022	-	-	-	2	0	3	0
Mr.	Janakiraman Subramanian	05299205	Non-Executive Independent Director	04-03-2022	-	-	24.27 Months, i.e. 24 months and 27 days	1	1	2	2
Mr.	Manish Agarwal	09730028	Non-Executive Independent Director	14-09-2022	-	-	18.17 Months, i.e. 18 months and 17 days	1	1	0	0

Title (Mr. / Ms.)	Name of the Director	DIN	Category (Chairperson / Non-Independent / Independent / Nominee)	Initial Date of Appointment	Date of Re-appointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)
Ms.	Sudha Krishnan	02885630	Non-Executive Independent Director	14-09-2022	-	-	18.17 Months, i.e. 18 months and 17 days	1	1	1	0
Mr.	Gaurav Chandna[Note1]	10312924	Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	-	-	-	1	0	1	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to managing director or CEO – **No**

* Tenure would mean total period from which Independent Director is serving on Board of directors of the investment manager in continuity without any cooling off period.

Note 1:- Mr. Neeraj Sanghi retired from the position of Chief Executive Officer and Wholetime Director of the Investment Manager with effect from March 31, 2024 (end of business hours) and on March 22, 2024, Mr. Gaurav Chandna was appointed by the Investment Manager as an Additional Non-Independent Executive Director with effect from April 1, 2024.

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee Members	Category (Chairperson / Non-Independent / Independent / Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	YES	Mr. Janakiraman Subramanian	(Chairperson) Non-Executive - Independent Director	15-11-2022	-
		Ms. Sudha Krishnan	(Member) Non-Executive - Independent Director	15-11-2022	-
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive- Non-Independent Director	15-11-2022	-
2. Nomination and Remuneration Committee	YES	Ms. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	-
		Mr. Manish Agarwal	(Chairperson) Non-Executive Independent Director	15-11-2022	-
		Mr. Janakiraman Subramanian	(Member) Non-Executive Independent Director	31-03-2023	-

Name of Committee	Whether Regular chairperson appointed	Name of Committee Members	Category (Chairperson / Non-Independent / Independent / Nominee)	Date of Appointment	Date of Cessation
3. Risk Management Committee	YES	Mr. Manish Agarwal[Note2]	(Chairperson) Non-Executive Independent Director	15-11-2022	-
		Mr. Neeraj Sanghi[Note1]	(Member) CEO cum Whole-Time Director	15-11-2022	31-03-2024
		Mr. Abhishek Chhajer	(Member) Chief Financial Officer	09-11-2023	
		Mr. Gaurav Chandna[Note1]	(Member) Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	
4. Stakeholders Relationship Committee	YES	Mr. Janakiraman Subramanian	(Chairperson) Non-Executive Independent Director	15-11-2022	-
		Mr. Neeraj Sanghi[Note1]	(Member) CEO cum Whole-Time Director	15-11-2022	31-03-2024
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	-
		Mr. Gaurav Chandna[Note1]	(Member) Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	
5. InvIT Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj Sanghi[Note1]	(Member) CEO cum Whole-Time Director	15-11-2022	31-03-2024
		Mr. Gaurav Chandna[Note1]	(Member) Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	15-11-2022	-
6. Investment Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Neeraj SanghiNote1	(Member) CEO cum Whole-Time Director	15-11-2022	31-03-2024
		Mr. Gaurav ChandnaNote1	(Member) Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	
		Mr. Hardik Bhadrik Shah	(Member) Non-Executive – Non-Independent Director	15-11-2022	-
		Mr. Sudha Krishnan	(Member) Non-Executive Independent Director	15-11-2022	-
		Mr. Manish Agarwal	(Member) Non-Executive Independent Director	15-11-2022	-
7. ESG Committee	NO; Chairperson for the committee is elected at the committee meeting	Mr. Manish Agrawal	(Member) Non-Executive Independent Director	19-05-2023	-
		Ms. Ami Vinoo Momaya	(Member) Non-Executive Non-Independent Director	18-08-2022	-
		Mr. Neeraj Sanghi[Note1]	(Member) CEO cum Whole-Time Director	18-08-2022	31-03-2024
		Mr. Gaurav Chandna[Note1]	(Member) Joint CEO cum Additional Non-Independent Executive Director	01-04-2024	
8. Ethics Committee	NO; Chairperson for the committee is elected at the committee meeting	Ms. Meghana Singh	(Member) General Counsel	19-05-2023	-
		Mr. Abhishek Chhajer	(Member) Chief Financial Officer	09-11-2023	-
		Mr. Vidyadhar Dabholkar	(Member) Head of Human Resources	19-05-2023	-

Note 1: Mr. Neeraj Sanghi retired from the position of Chief Executive Office and Wholetime Director of the Investment Manager with effect from March 31, 2024 (end of business hours) and accordingly, stepped down from all committee. In place of Mr. Sanghi, on March 22, 2024 Mr. Gaurav Chandna was inducted in the following committee (i) Risk (ii) Stakeholders (iii) InvIT (iv) Investment (v) ESG which with effect from April 1, 2024.

Note 2: Manish Agarwal was appointed as the Chairperson of Risk Management Committee, with effect from April 1, 2024.

III. Meetings of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present	Maximum gap between any two consecutive meetings (in number of days)*
20-10-2023	-	-	-	-	-
09-11-2023	-	-	-	-	-
30-11-2023	-	-	-	-	-
18-12-2023	-	-	-	-	-
-	05-01-2024	YES	6	3	17
-	06-02-2024	YES	5	3	31
-	22-03-2024	YES	5	3	44
-					

* Excluding the date of meetings held in previous quarter

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
-	-	-	-	20-10-2023	-
-	-	-	-	09-11-2023	-
-	-	-	-	18-12-2023	-
05-01-2024	Yes	3	2	-	17
06-02-2024	Yes	2	2	-	31
22-03-2024	Yes	2	2	-	44
Nomination and Remuneration Committee					
06-02-2024	Yes	3	3	-	-
22-03-2024	Yes	3	3	-	44
No meetings were held in the previous quarter ended December 31, 2023					
Risk Management Committee					
05-01-2024	Yes	3	1	-	-
06-02-2024	Yes	3	1	-	31
No meetings were held in the previous quarter ended December 31, 2023					
Stakeholder Relationship Committee					
No meetings were held in the current quarter ended March 31, 2024					

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Investment Committee					
-	-	-	-	25-10-2023	-
-	-	-	-	28-11-2023	-
12-01-2024	Yes	3	1	-	44
ESG Committee					
05-01-2024	Yes	3	1	-	-
No meeting held in the previous quarter ended December 31, 2023					
Ethics Committee					
-	-	-	-	13-10-2023	-
24-01-2024	Yes	NA	NA	-	102
23-03-2024	Yes	NA	NA		58
Ethics Committee is an executive committee with no board members. However, chairman of the Audit Committee is invited as a special invitee on needs basis.					

* Representing for the current quarter meetings.

** Excluding the date of meetings held in previous quarter.

V. Affirmations

1. The composition of Board of Directors is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014. - Yes
2. The composition of the following Committees is in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014; - Yes
   a. Audit Committee;
   b. Nomination and Remuneration Committee;
   c. Stakeholders Relationship Committee;
   d. Risk management Committee.
3. The Committee members have been made aware of their powers, role and responsibilities as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014. - Yes
4. The meetings of the Board of Directors and the above Committees have been conducted in the manner as specified in the SEBI (Infrastructure Investment Trusts) Regulations, 2014. - Yes
5. This report and/or the report submitted in the previous quarter has been placed before of the Board of Directors of the Investment Manager i.e. Highway Concessions One Private Limited. Any comments/observations/advice of Board of Directors may be mentioned here: NIL.

ANNEXURE A
Quarterly Compliance Report on Corporate Governance (Contd.)

PART-B

I. Disclosure on website of InvIT

Item		Compliance status (Yes/No/NA)refer note below	If Yes provide link to website. If No / NA provide reasons
a)	Details of business	Yes	https://highwaystrust.com/about-hit/
b)	Financial information including complete copy of the Annual Report including Balance Sheet, Profit and Loss Account, etc.	Yes	https://highwaystrust.com/financial-results/
c)	Contact information of the designated officials of the company who are responsible for assisting and handling investor grievances	Yes	**Web portal-** https://highwaystrust.com/investors-relations-contacts/ Email- kunjal.shah@highwayconcessions.com
d)	Email ID for grievance redressal and other relevant details	Yes	
e)	Information, report, notices, call letters, circulars, proceedings, etc. concerning units	Yes	https://highwaystrust.com/outcome-of-board-meeting/ https://highwaystrust.com/m-a-updates/ https://highwaystrust.com/other-announcements/ https://highwaystrust.com/units-issue-2/
f)	All information and reports including compliance reports filed by InvIT with respect to units	Yes	https://highwaystrust.com/other-announcements/
g)	All intimations and announcements made by InvIT to the stock exchanges	Yes	https://highwaystrust.com/Investors/
h)	All complaints including SCORES complaints received by the InvIT	Yes Note3	https://highwaystrust.com/wp-content/uploads/2024/04/HITInvestorGrievance31032024signed.pdf
i)	Any other information which may be relevant for the investors	Yes	https://highwaystrust.com/Investors/

Note 3: No complaints were received by the InvIT and the status of SCORES complaint is disclosed on the website.

It is certified that these contents on the website of the InvIT are correct.

II Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility'	2(1)(saa)	Yes
Board composition	4(2)(e)(v), 26G, 26H(1)	Yes
Meeting of board of directors	26G	Yes
Quorum of board meeting	26H(2)	Yes
Review of Compliance Reports	26H(3)	Yes
Plans for orderly succession for Appointments	26G	Yes
Code of Conduct	26G	Yes
Minimum Information	26H(4)	Yes
Compliance Certificate	26H(5)	Yes
Risk Assessment & Management	26G	Yes
Performance Evaluation of Independent Directors	26G	Yes
Recommendation of Board	26H(6)	Yes

ANNEXURE A
Quarterly Compliance Report on Corporate Governance (Contd.)

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Composition of Audit Committee	26G	Yes
Meeting of Audit Committee	26G	Yes
Composition of Nomination & Remuneration Committee	26G	Yes
Quorum of Nomination and Remuneration Committee meeting	26G	Yes
Meeting of Nomination & Remuneration Committee	26G	Yes
Composition of Stakeholder Relationship Committee	26G	Yes
Meeting of Stakeholder Relationship Committee	26G	Yes
Composition and role of Risk Management Committee	26G	Yes
Meeting of Risk Management Committee	26G	Yes
Vigil Mechanism	26I	Yes
Approval for related party Transactions	19(3), 22(4)(a)	Yes
Disclosure of related party transactions	19(2)	Yes
Annual Secretarial Compliance Report	26J	Yes
Alternate Director to Independent Director	26G	NA
Maximum Tenure of Independent Director	26G	Yes
Meeting of independent directors	26G	Yes
Familiarization of independent directors	26G	Yes
Declaration from Independent Director	26G	Yes
Directors and Officers insurance	26G	Yes
Memberships in Committees	26G	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management Personnel	26G	Yes
Policy with respect to Obligations of directors and senior management	26G	Yes

Note

1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of InvIT Regulations, "Yes" may be indicated. Similarly, in case the InvIT has no related party transactions, the words "N.A." may be indicated.

2 If status is "No" details of non-compliance may be given here.

3 If the investment manager would like to provide any other information the same may be indicated here.

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

Kunjal Shah
Company Secretary & Compliance Officer
ACS No. A27382

Place: Mumbai

ANNEXURE A
Quarterly Compliance Report on Corporate Governance (Contd.)

PART C

COMPLIANCE REPORT ON GOVERNANCE- AFFIRMATIONS

1. **Name of InvIT– Highways Infrastructure Trust**
2. **Name of the Investment manager – Highway Concessions One Private Limited**
3. **Year ending – March 31, 2024**

Affirmations

Broad heading	Regulation Number	Compliance status (Yes/No /NA)
Copy of annual report of the InvIT including balance sheet, profit and loss account, governance report, secretarial compliance report displayed on Website	26J, 26K and the Master Circular	Yes[1]
Presence of Chairperson of Audit Committee at the Annual Meeting of Unitholders	26G	Yes[2]
Presence of Chairperson of the Nomination and Remuneration Committee at the Annual Meeting of Unitholders	26G	Yes[2]
Presence of Chairperson of the Stakeholder Relationship Committee at the Annual Meeting of Unitholders	26G	Yes[2]
Whether "Governance Report" and "Secretarial Compliance Report" disclosed in Annual Report of the InvIT	26J and 26K	NA[3]

Note

1. The Annual Report (including balance sheet, profit and loss account is displayed on the website) for FY 2022-23 which was approved during FY 2023-24. Requirement of including Governance Report and Secretarial Compliance Report was not applicable for the said Annual Report. Further, the Annual Report of the InvIT including balance sheet, profit and loss account, governance report, secretarial compliance report for FY 2023-24 will be displayed on the website upon dispatch of the same to the Unitholders and submitting to the stock exchange.
2. For the annual meeting of the unitholders (first annual meeting) held during the financial year 2023-24.
3. Requirement of including Governance Report and Secretarial Compliance Report was not applicable for the Annual Report for FY 2022-23 as the provisions relating to same were applicable from April 1, 2023 and further the as the format for the same was made applicable vide SEBI Circular dated June 26, 2023, the same will be included in the Annual Reports from FY 2023-24 onwards.

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

Kunjal Shah
Company Secretary & Compliance Officer

Place: Mumbai

Summary of Valuation Reports

1. Background

In accordance with the terms of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, the Investment Manager appointed Mr. S. Sundararaman ("Registered Valuer"), holding registration number IBBI/RV/06/2018/10238 with IBBI to undertake fair valuation of the project SPVs. The Registered Valuer has undertaken a valuation of the project SPVs as on March 31, 2024 and the full valuation report is available on our website https://highwaystrust.com. Set out below is a summary of valuation:

1.1 Financial Assets to be Valued:

The financial assets valued at Enterprise Value and Adjusted Enterprise Value are as follows:

Sr. No.	Name of SPV
	Annuity Model Assets ("Annuity SPVs")
1	Nirmal BOT Private Limited ("NBPL")
2	Shillong Expressway Private Limited ("SEPL")
	Hybrid Annuity Model Assets ("HAM SPVs")
3	Ateli Narnaul Highway Private Limited ("ANHPL")
4	Gurgaon Sohna Highway Private Limited ("GSHPL")
5	Rewari Ateli Highway Private Limited ("RAHPL")
	Toll Model Assets ("Toll SPVs")
6	Dewas Bhopal Corridor Private Limited ("DBCPL")
7	Godhra Expressways Private Limited ("GEPL")
8	Jodhpur Pali Expressway Private Limited ("JPEPL")
9	Ulundurpet Expressways Private Limited ("UEPL")
10	Udupi Tollway Private Limited ("UTPL")
11	Gujarat Road & Infrastructure Company Limited – Vadodara Halol Section ("GRICL-VH")
11	Gujarat Road & Infrastructure Company Limited – Ahmedabad Mehsana Section ("GRICL-AM")
12	Swarna Tollway Private Limited – Nandigama Ibrahimpatnam Section ("STPL-NI")
12	Swarna Tollway Private Limited – Tada Nellore Section ("STPL-TN")

1.2. Scope of Valuation

1.2.1.Valuation Base

Fair Value basis for the valuation of the project SPV are as under:

(a) 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.

(b) Valuation Date - The valuation date considered for the fair enterprise valuation of the SPVs is March 31, 2024 ("Valuation Date").

(c) Premise of Value - Premise of value refers to the conditions and circumstances under which an asset is deployed. The valuation has been undertaken on a going concern basis.

(d) The discount rate considered for the respective project SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital ("WACC") for each of project SPVs. As all the project SPVs under consideration have executed projects under the BOT /DBFOT 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 and the right to collect toll from the vehicles using the road revert 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.

Summary of Valuation Reports (Contd.)

Based on the methodology and assumptions discussed further, the Registered Valuer has arrived at the fair enterprise value of the project SPVs as on the valuation date:

₹ Mn

No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	NBPL	8.1%	944	1,128
2	SEPL	8.1%	189	542
3	ANHPL	7.4%	4,485	5,380
4	GSHPL	7.5%	2,957	3,333
5	RAHPL	7.4%	2,743	2,792
6	DBCPL	10.5%	16,858	17,084
7	GEPL	10.5%	22,793	22,871
8	JPEPL	10.5%	5,565	5,666
9	UEPL	10.1%	3,533	4,174
10	UTPL	10.6%	9,063	9,343
11	GRICL*	10.3%	12,312	17,100
12	STPL	9.9%	15,182	20,275
Total			**96,624**	**1,09,688**

**The trust holds 56.8% equity stake in GRICL, and upon adjustment of valuation to reflect such proportionate holing, the valuation of GRICL shall be ₹ 9,713 million and the aggregate valuation of the assets of the Trust shall be ₹ 1,02,301 million.*

Changes During the Year

Mandatory Disclosures as specified under Part-A of Schedule IV of Regulation 23(5) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014

Details of Changes during the year pertaining to:

1. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions.

Sr. No	Seller	Project Name	Full SPV name	Description	Purchase Consid-eration (₹ Mn)	Valuer	Adj. EV (₹ Mn)	Valuation Description
1	1. Navayuga Engineering Company Ltd. 2. Navayuga Road Projects pvt ltd	UTPL	Udupi Tollway Private Limited (UTPL)	Four lane toll project starting at Kundapur – Surathkal & Mahavir circle to Kerala with a design length of 81.9kms	2,791	S. Sundararaman	8,777	Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 561.8 cr as on the date of acqusition.
2	H.G. Infra Engineering Limited	ANHPL	Ateli Narnaul Highway Private Limited (ANHPL)	Four to Six lane HAM project starting Ateli Mandi to Narnaul section of NH-11 in the state of Haryana with design length of 40.8kms	1,795	S. Sundararaman	5,434	Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 309.5 cr as on the date of acqusition.

Changes During the Year (Contd.)

Sr. No	Seller	Project Name	Full SPV name	Description	Purchase Consid-eration (₹ Mn)	Valuer	Adj. EV (₹ Mn)	Valuation Description
3	H.G. Infra Engineering Limited	GSHPL	Gurgaon Sohna Highway Private Limited (GSHPL)	Six lane HAM project starting Bhondsi to Sohna section of NH-248A in the state of Haryana with design length of 12.8kms	844	S. Sundararaman	3,545	Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 255.1 cr as on the date of acqusition.
4	H.G. Infra Engineering Limited	RAHPL	Rewari Ateli Highway Private Limited (RAHPL)	Four lane HAM project starting Maha Kharia, Rewari to Ateli Mandi section of NH-11 in the state of Haryana with design length of 30.4kms	1,085	S. Sundararaman	3,303	Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 194.0 cr as on the date of acqusition.

Changes During the Year (Contd.)

Sr. No	Seller	Project Name	Full SPV name	Description	Purchase Consid-eration (₹ Mn)	Valuer	Adj. EV (₹ Mn)	Valuation Description
5	MAIF Investments India Pte. Ltd.	GRICL-AM*	Gujarat Road and Infrastructure Company Limited - Ahmedabad Mehsana section	Four lane toll project from Ahmedabad to Mehsana section of the SH-41 in the state of Gujarat with design length of 51.6kms	5,651	S. Sundararaman	14,797	1) Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 120.9 cr as on the date of acqusition. 2) Acquired 56.8% equity stake/economic interest in GRICL.
6	MAIF Investments India Pte. Ltd.	GRICL-VH*	Gujarat Road and Infrastructure Company Limited - Vadodara Halol Section	Four lane toll project from Vadodara to Halol Section of the SH-87 in the state of Gujarat with design length of 31.7kms				
7	1. MAIF Investment India 3 Pte Limited 2. MAIF Investment India 4 Pte Limited	STPL-NI	Swarna Tollway Private Limited - Nandigama Ibrahimpatnam Section	Four lane toll project from Nandigama to Vijayawada Section of the NH-65 in the state of Andhra Pradesh with design length of 49.2kms	20,258	S. Sundararaman	19,027	1) Valuation represents the enterprise value (including cash & cash equivalent) of the asset undertaken by the InvIT valuer at the time of acquisition. The consideration represents (i) the equity consideration discharged for acquiring the assets; and (ii) the erstwhile promoter debt discharged at the time of acqusition. Additionally, the asset had external debt of ₹ 58.2 cr as on the date of acqusition. 2) 1 nomiee share was purchase on 20-Mar-2024.
8	1. MAIF Investment India 3 Pte Limited 2. MAIF Investment India 4 Pte Limited	STPL-TN	Swarna Tollway Private Limited - Tada Nellore Section	Four lane toll project from Tada to Nellore Section of the NH-16 in the state of Andhra Pradesh with design length of 110.8kms				

*The trust holds 56.8% equity stake in GRICL

2. Valuation of Assets and Net Asset Value ("NAV")

Pursuant to the provisions of Regulation 10 of the SEBI InvIT Regulations, the NAV of the Trust was computed based on the valuation done by the Valuer and the same has been disclosed as part of the Audited Financial Information of the Trust filed with National Stock Exchange of India Limited on May 16, 2024 and is also available on the website of the Trust at www.highwaystrust.com.

Changes During the Year (Contd.)

A. Consolidated Statement of Net Assets at Fair Value

₹ Mn

Particulars	As at March 31, 2024		As at March 31, 2023 ##	
	Book value	Fair value#	Book value	Fair value#
A. Assets	82,983.85	1,15,072.95	23,635.57	58,191.84
B. Liabilities (at book value)	51,362.17	51,362.17	19,253.91	19,253.91
C. Net Assets (A-B)	31,621.68	63,710.78	4,381.66	38,937.93
D. No of Units (in millions)	746.89	746.89	415.50	415.50
E. NAV (C/D)	42.34	85.30	10.55	93.71

#Fair values of total assets relating to the Trust as at March 31, 2024 and March 31, 2023 as disclosed above are primarily based on the fair valuation with adjustments and grouping undertaken in accordance with IndAS and audited by the statutory auditors of the Trust, and there may be certain presentation variations from the report obtained from the independent valuer under the InvIT Regulations on account of such grouping and adjustments.

The numbers from FY 2023 have been presented to align with the re-groupings and adjustments effected for FY 2024, and there may be variations in such numbers from the last disclosed information in FY 2023 on account of such presentation approach.

3. Details of Borrowings and Repayments:

Details of external borrowings availed & repaid, on standalone and consolidated basis, during 2023-24, are as follows:

Standalone:

₹ Mn

Particulars	March 31, 2023	Loan availed during the period	Loan repaid during the period	March 31, 2024
Borrowings from Domestic - Banks/ Financial Institutions (including term loans)	7,889.03	14,248.43	312.66	21,824.80
Non-Convertible Debentures (NCDs) (Note 1)	6,467.50	5,000.00	65.00	11,402.50
Non-Convertible Preference Shares (NCRPs)	-	-	-	-
External commercial borrowing (ECBs)	-	-	-	-
Commercial Papers	-	2,559.13	-	2,559.13
	14,356.53	**21,807.56**	**377.66**	**35,786.43**

Consolidated:

₹ Mn

Particulars	March 31, 2023	Loan availed during the period	Loan repaid during the period	March 31, 2024 (Note 4)
Borrowings from Domestic - Banks/ Financial Institutions (including term loans)	7,889.03	14,248.43	312.66	21,824.80
Non-Convertible Debentures (NCDs) (Note 1, Note 2)	6,467.50	5,695.80	136.00	12,027.30
Non-Convertible Preference Shares (NCRPs)	-	-	-	-
External commercial borrowing (ECBs)	-	-	-	-
Commercial Papers	-	2,559.13	-	2,559.13
	14,356.53	**22,503.36**	**448.66**	**36,411.23**

Notes:

1. NCD Series III were issued for ₹ 5,000.0 mn, however the issue was oversubscribed and actual amount received was ₹ 5,001.5 mn. Debt value considered above is ₹ 5,000.0 mn which is the maturity value.
2. HIT acquired GRICL during the year which had NCD of ₹ 1,100.0 mn outstanding as on the date of acquisition and as on March 31, 2024. The same has been considered as loan availed during the year to the extent of economic interest of HIT in GRICL i.e. (56.8%)

Changes During the Year (Contd.)

3. Amount outstanding provided above represents actual amount outstanding (adjusted for proportionate stake in case of GRICL (56.8%)) and may be different from those appearing in the financial statements due to IndAS adjustment.
4. Unsecured loan by GMR Highways Limited to Ulundurpet Expressways Private Limited has not been included above.

4. Sponsor, Investment Manager, Trustee, Valuer, Directors of the Trustee or Investment Manager or Sponsor, etc.

4.1 Changes in Highway Concessions One Private Limited, Investment Manager to the Trust

Highway Concessions One Private Limited ("Investment Manager") has been acting as the Investment Manager of the Trust since November 23, 2022. During the year, with effect from August 11, 2023, the Investment Manager changed its registered office to Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Maharashtra, India, 400098.

4.1.1 Board of Directors of Investment Manager of the Trust

As on date of this report, the Investment Manager has eight directors. The Board of Directors of the Investment Manager is duly constituted with four independent directors (including one woman director), two non-executive directors, one additional executive whole-time director and one unitholder nominee director. The Board is responsible for the overall management and governance of the Investment Manager.

The current composition of the board of directors is as follows:

Sr. No.	Name	Director Identification Number	Designation	Date of appointment
1	Mr. Hardik Bhadrik Shah	06648474	Non-Executive Director	December 17, 2021
2	Ms. Ami Vinoo Momaya	06836758	Non-Executive Director	January 24, 2022
3	Mr. Janakiraman Subramanian	05299205	Independent Non-Executive Director	March 04, 2022
4	Mr. Manish Agarwal	09730028	Independent Non-Executive Director	September 14, 2022
5	Ms. Sudha Krishnan	02885630	Independent Non-Executive Director	September 14, 2022
6	Mr. Rajesh Kumar Pandey	09428235	Additional Independent Non-Executive Director	May 16, 2024
7	Mr. Gaurav Chandna	10312924	Additional Executive Whole-Time Director	April 1, 2024
8	Mr. Stefano Ghezzi	10468375	Unitholder Nominee Director	May 16, 2024

All Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise. All Directors attended majority of Board and Committee meetings held during the period under review. The detailed profile of all directors can be viewed in this report and also on the Trust's website at https://highwaystrust.com/board-of-director/.

Changes in the board of directors

1. Retirement of Mr. Neeraj Sanghi as the executive whole-time director: In terms of the provisions of the SEBI InvIT Regulations and Companies Act, 2013, Mr. Neeraj Sanghi, Whole-time Director of the Investment Manager of the Trust, retired from the position of Chief Executive Officer and Whole-time Director of the Investment Manager with effect from March 31, 2024 (end of business hours).
2. Appointment of Mr. Gaurav Chandna as additional executive whole-time director: Mr. Gaurav Chandna was appointed on the Board of Directors of the Investment Manager as an Additional Executive Director with effect from April 01, 2024. Such appointment is subject to approval from shareholders of the Investment Manager in accordance with Companies Act, 2013.
3. Appointment of Mr. Rajesh Kumar Pandey as additional independent director: The Board of Directors at its meeting held on May 16, 2024 has appointed Mr. Rajesh Kumar Pandey as an Additional Director in the category of Independent Director on the Board of the Investment Manager. Such appointment is subject to approval from shareholders of the Investment Manager in accordance with Companies Act, 2013.
4. Appointment of Mr. Stefano Ghezzi as a unitholder nominee director: The Board of Directors at its meeting held on May 16, 2024 has appointed Mr. Stefano Ghezzi as an unitholder's nominee director pursuant to provisions of the SEBI InvIT Regulations read with SEBI Circular bearing reference number SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023.

Changes During the Year (Contd.)

4.1.2 Retirement of earlier Chief Executive Officer ("CEO") and appointment of Joint CEOs of the Investment Manager

Mr. Neeraj Sanghi, the earlier Chief Executive Officer of the Investment Manager retired from his position on March 31, 2024 (end of business hours). With his retirement, the board of directors has appointed Mr. Gaurav Chandna and Dr. Zafar Khan as Joint Chief Executive Officer of the Investment Manager.

Brief profile of Mr. Gaurav Chandna:

Mr. Gaurav Chandna has been serving as an Additional Executive Director on the Board of the Investment Manager since April 1, 2024. Mr. Chandna played a pivotal role in establishing the InvIT and has been instrumental in driving substantial growth in AUM over the last two years. Prior to his current role, he was the Head of Strategic Finance, where he effectively oversaw critical functions such as M&A, fundraising, investor relations, and FP&A. With nearly two decades of experience spanning the infrastructure, logistics, and industrial sectors, Gaurav brings a wealth of expertise to the Trust. Before his tenure at HC1, he garnered invaluable experience in the Corporate Finance Group at Piramal Capital and the investment banking unit of IDFC Capital. Gaurav holds a Bachelor of Technology degree in Civil Engineering from the Indian Institute of Technology (BHU) Varanasi and an MBA from the Faculty of Management Studies (FMS), University of Delhi.

Brief Profile of Dr. Zafar Khan:

Dr. Khan has played a pivotal role in establishing the InvIT, under his strategic leadership, the Trust has seen significant advancements in project execution efficiency, safety standards, and innovative infrastructure solutions. Before taking on the role of Joint CEO, Dr. Khan served as the Chief Operating Officer of the Investment Manager for over three years. With over two decades of experience in heavy civil construction, project management, and operations in the infrastructure and oil & gas sectors, Dr. Khan currently serves as Vice President of the Association of Road Investment Companies (HOAI). His career includes key roles at Peak Infrastructure, G4S PLC, Leighton India, Hindustan Construction Company (HCC), and Nagarjuna Construction Company, covering projects in six countries. Dr. Khan has completed a Doctorate from APS University in "Air Pollution" and holds a Diploma in Construction Safety Management from NICMAR. He also has an MBA from Deakin University, Australia.

4.1.3 Resignation of earlier Chief Financial Officer ("CFO") and appointment of new CFO of the Investment Manager

Mr. Narayanan Doraiswamy, the earlier CFO of the Investment Manager ceased to be the CFO with effect from December 31, 2024. To fill the created vacancy, Mr. Abhishek Chhajer was appointed as the CFO of the Investment Manager with effect from January 01, 2024.

Brief Profile of Mr. Abhishek Chhajer:

Mr. Abhishek Chhajer has been the Chief Financial Officer of the Investment Manager since January 1, 2024. Mr. Chhajer's expertise includes managing business growth, turnarounds, large-scale debt transactions, mergers and acquisitions, business control, governance, and compliance. He excels in financial planning and analysis, automation, credit rating, investor relations, regulatory compliance, secretarial duties, and audit oversight. With over 18 years of experience in finance and strategy, Mr. Chhajer has worked across sectors such as metal & mining and airport management. Before joining Highway Concessions, he was the CFO of Mumbai International Airport Limited (Adani Group) from March 2021. Prior to this, he served at Vedanta Group as Deputy CFO and Chief Commercial Officer (CCO) of the Steel Business. Mr. Chhajer is a qualified Chartered Accountant from ICAI and holds a commerce degree from the University of Jodhpur.

4.1.4 Change in shareholding of the Investment Manager

During the period under review, on December 5, 2023, the Investment Manager has issued and allotted 91,19,530 Equity shares of face value ₹ 10/- each at a price of ₹ ~11.6452 aggregating to ₹ 10,61,98,854.45/- to 2743298 Ontario Limited on a private placement basis pursuant to Share Subscription Agreement (SSA) dated April 20, 2022 (further amended on July 29, 2023 and November 27, 2023) executed by and between 2452991 Ontario Limited (Investor) and the Investment Manager.

Changes During the Year (Contd.)

4.1.5 Alteration in Articles of Association

During the period under review the Investment Manager has amended its Articles of Association of the Company with the approval of its shareholders: (a) on August 25, 2023 for addition of new Article 128A to enable the Debenture Trustees to appoint their nominee on the Board of Investment Manager; (b) on December 1, 2023, amendments were made to regulate the appointment of directors by the shareholders in the Company as per the Qualifying Range and to amend the composition of the investment committee (for undertaking investment decisions of the Trust) of the Company, as specified in the Articles of Association of the Company.

4.1.6 Shifting of Registered Office of the Investment Manager

The Registered office address of the Investment Manager was shifted from Unit No. 316-317, 3rd Floor, C wing, Kanakia Zillion, L B S Road, BKC Annex, Kurla (West), Mumbai – 400070 to Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India with effect from August 11, 2023.

4.1.7 Shifting of Principal Office of the Trust

The Trust has shifted its principal place of business from 2nd Floor, Piramal Tower, Peninsula Corporate Park, Lower Parel, Mumbai – 400 013, Maharashtra, India to Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai – 400098, Maharashtra, India with effect from March 22, 2024.

4.1.8 Reorganisation of the Committees of the Board of Directors of the Investment Manager

With the change in the board composition the committees of the board of directors of the Investment Manager have been reorganised. The current composition of the committees is set out below:

Name of the Committee	Current Composition		Remarks
Audit Committee	**Committee Members**	**Category**	- Audit Committee has been formed under Regulation 26G of SEBI InvIT Regulations read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"). - The terms of reference of the Audit Committee are available on the Trust's website on https://highwaystrust.com/board-committees - No change in the composition of the Audit Committee was undertaken during the period under consideration.
	Mr. Janakiraman Subramanian	Independent Director (Chairman)	
	Ms. Sudha Krishnan	Independent Director	
	Mr. Hardik Shah	Non-Executive Director	
Nomination and Remuneration Committee ("NRC")	**Committee Members**	**Category**	- NRC has been formed under Regulation 26G of SEBI InvIT Regulations read with Regulation 19 of the LODR Regulations. - The terms of reference of the NRC are available on the Trust' website on https://highwaystrust.com/board-committees - No change in the composition of the NRC was undertaken during the period under consideration.
	Mr. Manish Agarwal	Independent Director (Chairman)	
	Ms. Sudha Krishnan	Independent Director	
	Mr. Janakiraman Subramanian	Independent Director	
Stakeholder Relationship Committee ("SRC")	**Committee Members**	**Category**	- SRC has been formed under Regulation 26G of SEBI InvIT Regulations read with Regulation 20 of the LODR Regulations. - The terms of reference of the SRC are available on the Trust' website on https://highwaystrust.com/board-committees - Mr. Neeraj Sanghi, erstwhile CEO and Whole-Time Director was the member of the SRC until March 31, 2024 (close of business hours). Upon Mr. Sanghi's retirement, Mr. Gaurav Chandna was inducted as a member of the SRC with effect from April 1, 2024.
	Mr. Janakiraman Subramanian	Independent Director (Chairman)	
	Ms. Ami Vinoo Momaya	Non-Executive Director	
	Mr. Gaurav Chandna	Joint CEO & Additional Executive Director	

Changes During the Year (Contd.)

Name of the Committee	Current Composition		Remarks
Risk Management Committee ("RMC")	**Committee Members**	**Category**	- RMC has been formed under Regulation 26G of SEBI InvIT Regulations read with Regulation 21 of the LODR Regulations. - The terms of reference of the SRC are available on the Trust' website on https://highwaystrust.com/board-committees - Mr. Narayanan Doraiswamy, erstwhile chief financial officer ("CFO") was the member of the RMC until December 31, 2023. Upon the end of his tenure, Mr. Abhishek Chhajer, the current CFO of the Investment Manager, was inducted into the RMC with effect from January 1, 2024. - Mr. Neeraj Sanghi, erstwhile CEO and Whole-Time Director was the member of the RMC until March 31, 2024 (close of business hours). Upon Mr. Sanghi's retirement, Mr. Gaurav Chandna was inducted as a member of the RMC with effect from April 1, 2024.
	Mr. Manish Agarwal	Independent Director (Chairman)	
	Mr. Gaurav Chandna	Joint CEO & Additional Executive Director	
	Mr. Abhishek Chhajer	Member	
InvIT Committee	**Committee Members**	**Category**	- InvIT Committee has been formed for reviewing and recommending to the board on matters in connection with proposed capital raise by the Trust. - Mr. Neeraj Sanghi, erstwhile CEO and Whole-Time Director was the member of the InvIT Committee until March 31, 2024 (close of business hours). Upon Mr. Sanghi's retirement, Mr. Gaurav Chandna was inducted as a member of the InvIT Committee with effect from April 1, 2024.
	Mr. Gaurav Chandna	Joint CEO & Additional Executive Director	
	Ms. Ami Momaya	Non-Executive Director	
Investment Committee ("IC")	**Committee Members**	**Category**	- IC has been formed for reviewing and recommending to the Board on matters in connection with investment by the Trust. The terms of reference of the InvIT Committee are available on the Trust's website on https://highwaystrust.com/board-committees. - Mr. Neeraj Sanghi, erstwhile CEO and Whole-Time Director was the member of the InvIT Committee until March 31, 2024 (close of business hours). Upon Mr. Sanghi's retirement, Mr. Gaurav Chandna was inducted as a member of the IC with effect from April 1, 2024.
	Mr. Gaurav Chandna	Joint CEO & Additional Executive Director	
	Mr. Hardik Shah	Non-Executive Director	
	Mr. Manish Agarwal	Independent Director	
	Ms. Sudha Krishnan	Independent Director	

4.2 Changes in connection with the Sponsor:

4.2.1 Change in the Board of Directors of the Sponsor

Mr. Goh Ping Hao was inducted into the board of directors of the Sponsor on August 25, 2023. Mr. Goh is part of the Asia Pacific Infrastructure team of KKR. Mr. Goh has been involved in a number of the firm's investments in APAC, including Pinnacle Towers, Virescent Infrastructure and Aster Renewable Energy. Prior to joining KKR, he was at Morgan Stanley and Moelis & Company in the investment banking division where he focused on M&A and capital market transactions across the real assets, digital infrastructure, transport and energy sectors. He holds a B-Com. in Finance with honors from the Sauder School of Business, University of British Columbia.

Changes During the Year (Contd.)

4.2.2 Details in connection with Sponsor Group

During the year, on account of subscription of units of the Trust by Nebula Asia Holdings II Pte. Ltd. ("Nebula"), the Sponsor Group of the Trust stands revised as follows:

Sr. No.	Name of the Entity
1.	Galaxy Investments II Pte. Ltd.
2.	Galaxy Investments Pte. Ltd
3.	KKR Asia Pacific Infrastructure Holdings Pte. Ltd.
4.	KKR Asia Pacific Infrastructure Investors SCSp
5.	KKR AP Infrastructure S.à r.l.
6.	KKR Associates AP Infrastructure SCSp
7.	Nebula Asia Holdings II Pte. Ltd.
8.	Nebula I Investments Pte. Ltd.
9.	KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.
10.	KKR Asia Pacific Infrastructure Investors II SCSp
11.	KKR AP Infrastructure II S.à r.l
12.	KKR Associates AP Infrastructure II SCSp

Notes:

(a) *Galaxy Investments II Pte. Ltd. (**"Galaxy"** or the **"Sponsor"**), the Sponsor of the Trust, is wholly-owned by Galaxy Investments Pte. Ltd., which is in turn majority owned by KKR Asia Pacific Infrastructure Holdings Pte. Ltd., which is in turn wholly-owned by KKR Asia Pacific Infrastructure Investors SCSp (**"Asia Infrastructure Fund I"**). KKR AP Infrastructure S.à r.l. is the general partner of KKR Associates AP Infrastructure SCSp, which is in turn the general partner of Asia Infrastructure Fund I.*

(b) *Nebula is wholly-owned by Nebula I Investments Pte. Ltd., which is in turn majority owned by KKR Asia Pacific Infrastructure Holdings II Pte. Ltd., which is in turn wholly owned by KKR Asia Pacific Infrastructure Investors II SCSp (**"Asia Infrastructure Fund II"**). KKR AP Infrastructure II S.à r.l. (**"Nebula GP"**) is the general partner of KKR Associates AP Infrastructure II SCSp, which is in turn the general partner of Asia Infrastructure Fund II.*

(c) *It may be noted that both Nebula and Galaxy are affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc. (collectively, **"KKR Group"**), despite their affairs being under the management and control of different general partners.*

(d) *Given Nebula's and Galaxy's affiliation with the KKR Group, Nebula (and entities / persons who control it, up to and including the Nebula GP) will be considered as part of the 'Sponsor Group' of the HIT and also as 'Associates' of Galaxy within the purview of and solely for the purpose of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (**"InvIT Regulations"**). Such inclusion is with the caveat that the control of each of Nebula and Galaxy, lie with their respective general partners, without intersection.*

4.3 Changes in connection with the Trustee

4.3.1 Changes in the Board of Directors

The board of directors of Axis Trustee Services Limited ("ATSL" or the "Trustee"), the trustee of the Trust was reconstituted during the year and the current composition is set out below:

Sr. No.	Name	Director Identification Number	Designation	Date of appointment
1	Ms. Deepa Rath	09163254	Managing Director and Chief Executive Office	May 1, 2021
2	Mr. Prashant Joshi	08503064	Additional Non-Executive Director	January 16, 2024
3	Mr. Sumit Bali	02896088	Additional Non-Executive Director	January 16, 2024

Changes During the Year (Contd.)

Sr. No.	Name	Director Identification Number	Designation	Date of appointment
4	Mr. Arun Mehta	08674360	Additional Non-Executive Independent Director	May 03, 2024
5	Mr. Pramod Kumar Nagpal	10041946	Additional Non-Executive Independent Director	May 03, 2024

Brief Profile of Directors of Axis Trustee Services Limited

(A) **Mr. Sumit Bali** is an Additional Director (Non-Executive) on the board of the ASTL and also the Chairman of Axis Trustee Services Limited. Mr. Bali is also the Group Executive and Head - Retail Lending Axis Bank. Sumit is a veteran in the banking industry with almost 3 decades of rich experience in Ret ail Banking. He was associated with Kotak Mahindra Bank for last 24 years, wherein he worked in multiple roles across Retail Lending. In his last role with Kotak Mahindra Bank, Sumit was overseeing the entire Ret ail Assets business including Home Loans, Loan against property (LAP), Personal Loans, SME Loans & Credit Cards. Sumit was also the Chief Executive Officer of Kotak Mahindra Prime Ltd. As part of Kotak Bank's Leadership Team he was involved in integration of ING Vysya Bank post the merger. Prior joining Axis Bank, he was working with IIFL Finance where he was driving the company's growth agenda as the Executive Director & Chief Executive Officer across the entire IIFL NBFC group. Sumit holds a graduate degree in BA (Hon) Maths from St. Stephen's College, Delhi & has completed his PGDM from IIM Ahmedabad.

(B) **Mr. Prashant Joshi** is an Additional Director (Non-Executive) on the board of the ASTL. Prashant Joshi is the Group Executive & Chief Credit Officer of the Bank since May 1, 2022. As the Chief Credit Officer, he is responsible for all underwriting functions across the Retail and Corporate segments. Prashant has nearly three decades of experience in financial services, primarily in project finance appraisals and credit functions. He has been with Axis Bank since September 2006 in roles related to Credit/ Underwriting and Risk across various segments. In his previous stint, he was with the Industrial Development Bank of India in the project finance department for nearly 13 years, with in-depth experience of working on proposals across sectors. He started his career in a private firm as a Project Engineer. Prashant is a Civil Engineer from Sardar Patel College of Engineering, Mumbai University.

(C) **Ms. Deepa Rath** is a Managing Director & CEO on the Board of Axis Trustee Services Limited. Ms. Deepa Rath is a Senior Banker with more than 20 years of experience in Corporate Banking, Fintech, Credit, Project Funding, MSME Financing, Retail Banking, Supply Chain Finance, Trade Finance etc. Ms. Deepa is known for her strategic leadership, customer centric approach, superior people & relationship management skills which have helped her set up and scale up New Businesses & High Impact Teams across domains. Prior to taking over as MD & CEO of Axis Trustee Services Ltd, Ms. Deepa was part of the founding leadership team and spearheaded TReDS (Trades Receivable Discounting System) platform business at INVOICEMART / A. TREDS LTD (JV of Axis Bank & Mjunction), a pioneer work in the space of Digital & Transparent Financing of MSMEs, Financial Inclusion, API Integration & Blockchain implementation. Previous to this, she led various business functions across geographies with Axis Bank Corporate Banking department. In the early part of her career, she took several roles with IDBI Bank and ICICI Bank Ltd within the Corporate Banking & Retail Banking franchise. She has been a speaker on various Finance & Fintech related forums and was a part of Axis Bank's Senior Business Leadership program initiatives pertaining to Ethics & sustainability (POSH), Recruitment & Employee Engagement, Corporate social responsibility etc. She is a panel /advisory member on the International Consulting/Advisory related to Supply Chain Finance, Fintech, Go-To-Market strategy & Corporate Banking practices. She holds a MBA- Finance from IMT Ghaziabad with Master's in Economics and an Advanced Diploma in Software Technology & Systems Management", NIIT. Apart from several certifications like Coursera, Axis Business Leadership Program - ISB Hyderabad, Ms. Deepa also has completed "Advanced Program in Fintech & Financial Blockchain" from IIM Calcutta to continue her strive for knowledge & learning.

Changes During the Year (Contd.)

(D) **Mr. Arun Mehta** is an Additional Director (Non-Executive Independent) on the board of the ASTL. Mr. Mehta is a Postgraduate in Economics and is a certified member of the Indian Institute of Bankers. He has over 38 years of experience, which includes Corporate Banking (Mid corporates as well as Large Corporates), International banking, ECBs and Loan syndication (heading the Merchant Banking Division), Investment Banking as well as Retail Banking. He has also had considerable International Exposure, having worked overseas in Hong Kong handling Loan Syndications and Investments. He has earlier held the position of MD & CEO of SBI Capital Markets, the Merchant Banking Arm of SBI. He was also the Non-Executive Chairman of SBICap Securities (Retail Broking arm), SBICap ventures Ltd and SBICap trustee Company Ltd. He was a Non-Executive Director in Investec Capital services India Pvt Ltd. Some of the other senior level assignments include Chief General Manager, Financial Control (ALM, Budgeting and Performance monitoring, Raising Equity and AT1 & Tier II debt).He has also chaired the Mid Corporates Credit Committee for Gujarat Diu and daman.

(E) **Mr. Parmod Kumar Nagpal** is an Additional Director (Non-Executive Independent) on the board of ASTL. Mr. Nagpal is a seasoned professional having more than 30+ years of work experience. In 1989 Mr. Nagpal Joined SEBI as Manager worked with SEBI for about 30.5 years. Before retirement in December 2019 Mr. Nagpal was Executive Director of SEBI for almost 13 years. Mr. Nagpal has versatile experience of working in all operational Departments of SEBI – Corporate Finance, Market Regulation, Mutual Funds, Venture Capital Funds, Market Intermediaries Supervision, Investigation and Foreign Portfolio Investors. He was also involved in policy formulation and implementation of Regulations, registration and supervision of market intermediaries, inspection of stock exchanges and market intermediaries, investigation of market manipulation and insider trading, Takeovers, IPOs, compliance of listing requirements by the companies, corporate governance, etc. Many of the notifications of regulations and guidelines were done under his supervision including Listing Regulations and Foreign Portfolio Investors Regulations. Mr. Nagpal was Chief Vigilance Officer of SEBI and in-charge of Internal Inspections Department, HRD, Finance and Audit, Establishment, Premises and Internal Security and acted as Disciplinary Authority for internal matters. While working with SEBI, he was assigned additional responsibilities of Director of its training institute - National Institute of Securities Markets (NISM) and CEO of Central Listing Authority. Was nominated on the boards of 3 stock exchanges and NISM. Mr. Nagpal acted as Enquiry and Adjudicating Authority for deciding quasi-judicial matters of market participants based on evaluation of facts and evidence. Conducted enquiries under High Court Orders in the functioning of stock exchanges and default by stockbrokers. Mr. Nagpal was a member of various Committees of SEBI, other financial sector regulators, Government and international bodies pertaining to disclosures, enactment of th Companies Act 2013, corporate governance, KYC, anti-money laundering, insolvency code, etc. Chaired the standing committee of financial sector regulators (SEBI, RBI, IRDA and PFRDA) on credit ratings and was Chair of Committees of International Organisation of Securities Commissions (IOSCO) on Issuer Accounting, Audit and Disclosures, comprising of 33 countries. Also worked on climate related disclosures and sustainability. Mr. Nagpal led a report on money laundering in securities markets in Eurosian Countries under international organisation FATF (Financial Action Task Force) and was a speaker at various national and international forums on securities markets.

Prior to SEBI Mr. Nagpal: Worked in senior positions with (I) Delhi Stock Exchange (ii) an investment banking firm involved in stock broking, merchant banking and equity research and (iii) Conducted training for officers of Insolvency and Bankruptcy Board of India (IBBI) on carrying out inspections and quasi-judicial proceedings. Subsequently, provided consultancy on the same subject and submitted a detailed report for further improvement of their systems and procedures.

4.4 Valuer:

Mr. S Sundararaman, Registered Valuer (IBB registration no. IBBI/RV/06/2018/10238) continues to act as the valuer (the **"Valuer"**) to the Trust. His reappointment is being presented to the unitholders in the Notice of Annual General Meeting.

Changes During the Year (Contd.)

5. Changes in Clauses in Trust deed, investment management agreement or any other agreement entered into pertaining to the activities of the InvIT

5.1 Amendment and restatement of the Investment Management Agreement:

During the period under review, pursuant to the SEBI (Infrastructure Investment Trusts) (Second Amendment) Regulations, 2023 (**"Second Amendment Regulations"**), the investment management agreement was required to be amended and restated to incorporate provisions in relation to the board nomination rights of eligible unitholder(s) in the manner as specified SEBI Circular bearing reference number SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023 (**"Unit Holder Nomination Circular"**). In order to comply with the above provisions, the Board at its meeting held on December 18, 2023, had considered and approved the amendment and restatement of Investment Management Agreement of the Trust dated October 22, 2022 (**"IMA"**) entered into amongst the Trustee and the Investment Manager to inter alia include the aforementioned provisions. Subsequently, for effectuating the aforesaid amendment in the IMA, the approval of the unitholders was also secured by way of Postal Ballot dated December 18, 2023, results of which were declared on the January 10, 2024.

Accordingly, the amended and restated Investment Management Agreement was executed on January 29, 2024 amending the original Investment Management Agreement dated October 20, 2022 with the inclusion of appropriate clause for "Reviewing and Monitoring Appointment of Unitholder Nominee Director" in the agreement.

There have been no other changes in the clauses in the IMA or any other agreement entered into pertaining to activities of the Trust.

5.2 Amendment and restatement of the Trust Deed:

During the period under review, pursuant to the Second Amendment Agreement, the trust deed was required to be amended and restated to incorporate provisions in relation to the board nomination rights of eligible unitholder(s) in the manner as specified in the Unit Holder Nomination Circular.

In order to comply with the above provisions, the Board at its meeting held on December 18, 2023, had considered and approved the amendment and restatement of Trust Deed of the Trust dated December 03, 2021 executed between Galaxy Investments II Pte Limited (sponsor of Trust), Virescent Infrastructure Investment Manager Private Limited (settlor of Trust) and Axis Trustee Services Limited ("Trustee") (**"Trust Deed"**). Subsequently, for effectuating the aforesaid provision in the Trust Deed, the approval of the unitholders was also secured by way of postal ballot dated December 18, 2023, results of which were declared on January 10, 2024.

Accordingly, the amended and restated trust deed was executed and registered on March 4, 2024 with the inclusion of appropriate clause for "Reviewing and Monitoring Appointment of Unitholder Nominee Director" in the deed.

There have been no other changes in the clauses in the Trust Deed or any other agreement entered into pertaining to activities of the Trust.

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

There have been no regulatory changes that has impacted or may impact cash flows of the underlying projects save for the introduction of revised framework for calculation of net distributable cash flow prescribed by SEBI vide its circular SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated December 6, 2023.

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

i. The Trust has entered into a Share Purchase Agreement on March 30, 2023 which was amended on October 26, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control of Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited) ("UTPL") a special purpose vehicles owned by Navayuga Engineering Company Limited and Navayuga Road Projects Private Limited. The acquisition of UTPL was completed on November 2, 2023.

ii. The Trust has entered into a Share Purchase Agreement on May 03, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. (i) Ateli Narnaul Highway Private Limited (formerly known as H.G. Ateli Narnaul Highway Private Limited), (ii) Rewari Ateli Highway Private Limited (formerly known as H.G. Rewari Ateli Highway Private Limited), (iii) Gurgaon Sohna Highway Private Limited; and (iv) H.G. Rewari Bypass Private Limited. The target

Changes During the Year (Contd.)

entities hold concession agreements under Hybrid Annuity Model granted by National Highways Authority of India ("NHAI") for projects situated in Haryana with a total length of ~ 100 km. Acquisition of (i) Ateli Narnaul Highway Private Limited (formerly known as H.G. Ateli Narnaul Highway Private Limited), (ii) Rewari Ateli Highway Private Limited (formerly known as H.G. Rewari Ateli Highway Private Limited) and (iii) Gurgaon Sohna Highway Private Limited was completed on November 21, 2023. However, acquisition of H.G. Rewari Bypass Private Limited is yet to be completed and is anticipated to be completed during the financial year 2024-2025.

iii. The Trust has entered into a Share Purchase Agreement on July 28, 2023 for the acquisition of: - (i) Up to 56.8% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL (as applicable); and (ii) 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India 3 Pte. Ltd ("MAIF 2"). The said acquisition was completed on January 24, 2024.

iv. The Trust has entered into a Securities Purchase Agreement on August 30, 2023 for acquisition of one hundred (100%) percent equity shareholding and economic interest, in one or more tranches in Bangalore Elevated Tollway Private Limited from Galaxy Investments II Pte. Ltd. ("Galaxy" or the "Sponsor"). The consideration for the acquisition is to be discharged by way of issuance of units of the Trust to the Sponsor in accordance with the SEBI (InvIT) Regulations, 2014 and other applicable regulations. The unitholders of the Trust have approved the said transaction vide the resolution dated June 10, 2024 passed through postal ballot. Accordingly, the transaction was completed on June 12, 2024.

v. The Trust has entered int a Securities Purchase Agreement on January 15, 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited. The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

8. Legal Proceedings

During the reporting period, there have been no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust. A summary of material litigations is set out on page no. 136-141.

9. Financial Information of Investment Manager:

The financial information of Investment Manager is not disclosed because of the fact that there is no material erosion in the net worth as compared to the net worth as per the last disclosed financial statements.

Policies of the Board of Directors of the Investment Manager in Relation to Trust

In order to adhere to the good governance practices, the Investment Manager has adopted the following policies in relation to Highways Infrastructure Trust (**"Trust"**) in accordance with Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder (**"SEBI InvIT Regulations**".)

During the previous financial year:

(a) on May 19, 2023, the board of directors of the Investment Manager passed the resolution to adopt the Vigil Mechanism Policy, Anti-Bribery and Corruption Policy, Code of Conduct, Corporate Social Responsibility Policy, Diversity, Equity and Inclusion Policy, ESG Policy, and Third Party Code of Conduct;

(b) on October 09, 2023, the board of directors of the Investment Manager passed the resolution to adopt the policy on qualifications and criteria for appointment of unitholders nominee directors on the board;

(c) on March 22, 2024, the board of directors of the Investment Manager passed the resolution to amend the Distribution Policy with effect from April 01, 2024 to adopt the framework prescribed by Securities and Exchange Board of India ("SEBI") vide its circular dated December 6, 2023 for calculating net distributable cash flow;

Brief Outline of Key Policies

Sr. No.	Name of the Policy	Coverage
1	Distribution policy	The Policy on distribution of the net distributable cash flows of the Trust aims at formulating a structure for timely declaration of distribution of such distributable income to the unitholders of the Trust. The Policy has been further amended by the Board of Directors of the Investment Manager in their meeting held on March 22, 2024 in line with the SEBI Circular dated December 06, 2023 with effect from April 01, 2024.
2	Borrowing policy	Borrowing Policy aims to outline the borrowing strategy and limitations in relation to Trust.
3	Code of Conduct for Employees	The code of conduct is applicable to all employees and directors of the Investment Manager to ensure ethical conduct while dealing with business of the Trust and to ensure compliance with policies adopted against corrupt and unethical policies.
4	Related Party Policy	The Related Party policy is framed based on the provisions of (i) the Companies Act, 2013 read with rules made thereunder and (ii) the InvIT Regulations. The Policy intends to ensure governance and reporting of transactions between the Company, the Trust and their Related Parties. The objective of this Policy is: to ensure transparency and fairness of Related Party transactions; and to ensure proper approval, supervision and reporting of the transactions and regulate the manner of dealing with the transactions between the Company, the Trust and their Related Parties.
5	Policy for determining Materiality of Information	The policy for determining materiality of information for periodic disclosures aims to outline process and procedures for determining materiality of information in relation to periodic disclosures required to be made on the website of the Trust, to the stock exchanges and to all stakeholders at large, in relation to the Trust. The purpose of the Policy is also to ensure that the Trust complies with Applicable Law, including the SEBI InvIT Regulations and the listing agreements to be entered into with the stock exchanges.
6	Policy on UPSI and dealing in units by the parties	The policy aims to outline process and procedures for dissemination of information and disclosures in relation to the Trust on the website of the Trust, to the stock exchanges and to all stakeholders at large. The purpose of the Policy is also to ensure that the Trust and Investment Manager comply with applicable law, including the SEBI InvIT Regulations, or such other Indian laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

Policies of the Board of Directors of the Investment Manager in Relation to Trust (Contd.)

Sr. No.	Name of the Policy	Coverage
7	Policy on appointment of Auditors and Valuers	The policy aims at formulating a structure for ensuring compliance by the Trust, in appointment of its auditor and the auditing standards followed and the appointment of its valuer, with Applicable Law as applicable to an investment infrastructure trust, including the SEBI InvIT Regulations
8	Risk Management Policy	The policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Trust's business.
9	Nomination & Remuneration Policy	The policy is to enhance integrity, ethics & transparency in governance of Investment Manager in connection with appointment and remuneration of senior officials of the Investment Manager.
10	Investment Policy (treasury)	The policy has been adopted ensure effective management of the investment of surplus cash balances with the Trust and special purpose vehicles owned by the Trust in accordance with the provisions of SEBI InvIT Regulations.
11	Policy on preservation of documents and archival	The policy has been adopted under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), for preservation of documents and records to help ensure the authenticity, reliability and accessibility of such documents.
12	Policy for Diversity, Equality & Inclusion (DEI)	The policy has been adopted for embracing diversity, equity and inclusion in all practices and to establish an inclusive culture, that celebrates diversity, and is free from discrimination.
13	Anti-Bribery and Corruption Policy	The policy is to establish the highest standard of business conduct and to prevent direct or indirect involvement in acceptance or payment of bribes or use of funds or assets for any other illegal, improper, or unethical purpose. The policy has certain other related policies like Gifts and Hospitality Policy outlining the thresholds to be observed while undertaking any dealings with third party.
14	Vigil Mechanism Policy	The policy establishes the vigil mechanism for reporting, monitoring and investigating any complaints alleging unethical conduct or breach of certain policies in connection with business of the Trust or its SPVs or investment manager or project manager.
15	Conflict of Interest Policy	The policy provides guidance to the employees on standards of conduct with respect to Conflict of Interest while performing their entrusted roles and responsibilities, executing business decisions and treating business opportunities, in the best interest of the Trust.
16	ESG Policy	This policy intends to define clear framework enabling the Trust in considering ESG factors in its business.
17	Policy on qualifications and criteria for appointment of unitholders nominee directors on the Board	The policy has been formulated for specifying the criteria for appointment, qualifications and evaluation parameters for the individuals proposed to be nominated as a nominee director by unitholders who have the right to undertake such appointment under the SEBI InvIT Regulations.
18	Code of Conduct for InvIT Parties	This Policy on code of conduct required for Parties to the Trust aims at formulating a framework for ensuring protection of interest of all the Unitholders of the InvIT and proper conduct and carrying out of the business and affairs of the Trust in accordance with applicable law, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder
19	Corporate Social Responsibility ("CSR") Policy	Policy for establishing a framework for identification of contribution and post contribution monitoring to ensure appropriate deployment of funds earmarked for CSR.

All key policies are available on the website of the Trust at https://highwaystrust.com/key-policies/. Further, the terms of appointment of Non-Executive Independent Director is available on the website of the Trust at https://highwaystrust.com/wp-content/uploads/2023/04/HIT-Terms-of-Appointment.pdf

Policies of the Board of Directors of the Investment Manager in Relation to Trust (Contd.)

Disclosure of Sexual Harassment of Women at Workplace

The Investment Manager provides equal opportunities and is committed for creating a healthy working environment that enables employees to work with equality and without fear of discrimination, prejudice, gender bias or any form of harassment at workplace.

The Investment Manager has in place an Anti-Harassment Policy/ Prevention of Sexual Harassment (POSH) Policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 including necessary filings with the office of Collector & District magistrate, Mumbai. The policy is communicated at regular intervals to all employees (permanent, contractual, temporary, trainees) through programs conducted at the registered office.

The Investment Manager has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The ICC of the Investment Manager comprises the following members:

Sr. No.	Name	Designation
1	Ms. Komal Dhamecha	Presiding Officer
2	Dr. Deepa Sharma	Member from (Non-Government Organisation)
3	Ms. Meghana Singh	Member
4	Mr. Vidyadhar Dabholkar	Member

During 2023-24, no complaints were received by the ICC of the Investment Manager .

Vigil Mechanism Reporting

During the year under review, the Trust has received four complaints under the Vigil Mechanism Policy. These complaints were reviewed by the Ethics and Compliance Committee under supervision of the chairperson of the Audit Committee, and necessary steps were undertaken basis outcome of investigation.

SEBI Complaints Redressal System (SCORES)

The Trust has been registered on SCORES and SCORES ver.2.0 (w.e.f. April 1, 2024) and all investor complaints are processed through the centralised web based complaints redressal system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Investment Manager makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. During the previous year no complaints were received.

SEBI Online Resolution of Dispute (ODR)

SEBI vide its circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 20, 2023, had introduced an "Online Resolution of Disputes in the Indian Securities Market". The Online Dispute Resolution Portal ("ODR Portal") is designed to enhance investor grievance redressal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market has been established, wherein all market intermediaries are mandatorily required to register. The implementation of Online Dispute Resolution Portal ("ODR Portal") is through SMART ODR Portal (Securities Market Approach for Resolution through ODR Portal). The Trust in compliance of above circular had registered itself on the SMARTODR and the same can be accessed at https://highwaystrust.com/online-dispute-resolution-portal/

Risk Factors

1. **The Trust is a newly settled Trust with limited established operating history, financial information, and as a result, investors may not be able to assess its prospects based on past records**

   Highways Infrastructure Trust ("The Trust" or "Highways Trust") was established on December 3, 2021 and registered with SEBI on December 23, 2021. It completed the listing of its units on August 22, 2022. Accordingly, the Highways Trust, as an infrastructure investment trust, has a limited operating history and historical financial information by which Trust's past performance may be judged. There can be no assurance that the Trust will be able to generate sufficient cashflows from its operations or that the special purpose vehicles owned by the Trust (**"SPVs"**) will be able to generate sufficient cash flows from the operations of their projects to make regular and timely distributions to the Trust's unitholders.

2. **The SPVs may be subject to penalties and claims from the concessioning authorities and third parties during the course of operations of their projects and may not be able to recover all operational losses from the Erstwhile Project Manager, Project Manager and/ or other contractors providing operations and maintenance services to the projects**

   The SPVs may receive notices from concessioning authorities or other parties imposing penalties for deficiencies or non-compliance with concession agreements. They may contest these claims or seek indemnification from the Erstwhile Project Manager, Project Manager or O&M contractor. However, an adverse decision would negatively affect the SPVs' operations and finances. The Project Manager's/ Erstwhile Project Manager's liability for breaches is limited to the service fee for that year. Claims exceeding this limit would adversely affect the SPVs' financial performance. Similarly, the O&M Contractors' liability would typically be limited in the range of 10-12% of the annual fee, or 5% for major maintenance contracts. Overall such claims can and limited ability to recover from third parties, can adversely impact the cash flow available for distribution.

3. **Acquisitions by Trust of economic interest less than 100% leads to reliance on the other shareholders in the SPVs on operational and financial decisions**

   The Trust may from time to time acquire less than 100% equity interest in SPVs and in such cases, there will be reliance on other shareholders of the SPV to agree on key operational and financial decisions. In this regard, one of the SPVs of the Trust, Gujarat Road and Infrastructure Company Limited (**"GRICL"**), has two other major shareholders, being Government of Gujarat (**"GOG"**); and two entities belonging to the IL&FS group. Such other shareholder have nominee directors on the board of GRICL and the decisions in connection with the operation of the projects owned by GRICL requires discussion and consensus from such nominees.

4. **The SPVs acquired from third parties by the Trust may result in damages and losses. The Trust may not be able to recover losses arising from the acquisition of the SPV under relevant contractual arrangements**

   The Trust and the Investment Manager rely on the information and management representations from the respective sellers of such SPVs until their acquisition by the Trust. Any lack of clear information or false or misrepresentation could adversely affect the Trust's earnings and cashflows. There is no assurance the Trust can raise claims or recover losses from the seller in a timely manner, or at all. Although reasonable care is taken while technically assessing SPVs, but unknown or unquantified defects may exist on the project requiring additional capital expenditure or obligations to third parties, affecting the Trust's earnings, cash flows, and distributions to Unitholders. Full understanding of an asset typically requires extended operation, so acquiring SPVs may involve integration challenges, diverting management resources from ongoing business development.

5. **Lack of certainty of completion of acquisition of assets for which binding documentation has been executed**

   The Trust has entered into binding agreement for acquiring assets (such assets being referred to as **"Target SPVs"**) from H.G. Infra Engineering Limited (and its group companies) and PNC Infratech Limited (and its group companies) (the sellers of the Target SPVs being referred to as the **"Sellers"**). The Sellers have applied for consents from concessioning authorities for transfer of the Target SPVs to the Trust, but there's no assurance these will be granted or without additional conditions. The Target SPV also has borrowings requiring lender consents for the transfer. If such conditions are not met or disputes arise with lenders, the Trust may not acquire the Target SPVs, adversely affecting the Trust's business and operations. Furthermore, the Target SPV requires consents from other third parties, including regulatory authorities, for the transfer. Without these consents, the Trust may not acquire the Target SPVs from the Sellers, impacting the Trust's business and results. Further, until such

Risk Factors (Contd.)

transfer is completed, the Target SPVs continue to be under the control of the Sellers and the Trust has no clear control over day to to day operations. Any action by the Sellers until acquisition which may not be in line with the assumptions made at the time of entering into definitive document or otherwise not in line with the policies adopted by Trust for its SPVs, may make it challenging for the Trust to complete the acquisition and would result in reduction in cash available to the Trust.

6. **The accuracy of statistical and other information with respect to the MD&A section of this annual report and Technical Reports and Traffic Reports published from time to time for the SPVs, commissioned by the Investment Manager cannot be guaranteed.**

Statistical and other information in this Annual Report are from reliable government publications and research reports. However, their quality or reliability cannot be guaranteed.

The Technical and Traffic Reports published from time to time include forecasts and forward-looking statements that are subject to risks and uncertainties like GDP growth, traffic mix, and income changes, which could cause actual traffic volumes to differ from the forecasts. While reasonable care has been taken in reproducing this information, accuracy cannot be assured. Statistics may be inconsistent with other data within or outside India due to varying collection methods or discrepancies between published information and market practices. Thus, statistics in the Technical and Traffic Reports may be inaccurate or incomparable to those from other economies and should not be unduly relied upon. There is no assurance that the statistics are compiled on the same basis or with the same accuracy as elsewhere.

Further, the opinions in the reports, based on estimates and assumptions, may be incorrect. The Technical and Traffic Reports are not investment recommendations. Prospective investors should not unduly rely on these reports when making investment decisions.

7. **The Audited Financial Statements presented in this Annual Report may not be indicative of the future financial condition and results of operations of the Trust.**

The Audited Financial Statements the Trust may not necessarily reflect or give an indication of the financial position, results of operations or cash flows of the Trust or the SPVs in the future.

8. **The SPVs have entered into concession agreements which contain certain onerous provisions and any failure to comply with such provisions of the concession agreements could result in adverse consequences, including penalties and the substitution of the concessionaire.**

The SPVs have limited negotiation ability with their concessioning authorities, resulting in potentially onerous terms within the concession agreements, particularly regarding compliance and monitoring of O&M requirements. Failure to meet these requirements could lead to penalties or termination, with the concessioning authorities able to step in or substitute the SPV in case of financial default.

Such terms require SPVs to indemnify concessioning authorities for various losses, including non-compliance with laws, taxes, or non-payment for materials or services. Additionally, changes in laws may impose financial burdens, allowing SPVs to seek amendments or compensation, however the grant of such compensation typically takes time and is without certainty of outcome. Lockdowns or toll exemptions, as seen during the COVID-19 pandemic, can lead to revenue loss for SPVs. There's no assurance of successful revenue claims in such situations. The evolving nature and ambiguity of concession agreements pose interpretation challenges, potentially impacting SPVs' business, financial condition, and results of operations adversely.

9. **The flexibility of the Trust and the SPVs to utilise available funds generated at the SPVs may be restricted by the escrow arrangements they are required to maintain under the concession agreements.**

Under concession agreements, SPVs must establish escrow accounts and deposit all cash inflows, including tolls and concessioning authority payments. These funds can only be used as per the escrow and concession agreements. Withdrawals during the concession period must adhere strictly to these agreements, limiting SPVs' flexibility in reacting to business changes, potentially impacting their business, financial condition, and results. Access to termination payments by the Highways Trust is subordinate to outstanding fees, lender dues, and damages. Shortfalls in termination payments may hinder investment recovery. Upon termination or default, withdrawals from SPVs' escrow accounts may be controlled entirely by concessioning authorities or lenders.

Risk Factors (Contd.)

10. The concession agreements may be terminated prematurely under certain circumstances.

Under the concession agreements, SPVs must maintain the stretch in an acceptable condition with periodic maintenance. Quality assessments by concessioning authorities may result in defaults resulting in penalties, withheld annuity payments etc. and necessary remedies to cure such defaults are to be complied. Failure to promptly cure defaults can lead to termination of the agreement. Premature termination of a concession agreement can adversely affect the business, financial condition, and operations of the relevant SPV. The SPVs are entitled to termination payments per the agreement terms, however there is uncertainty about authorities' recognition of these amounts and their approval for security interest creation/enforcement over SPVs' assets/shares. Termination due to SPVs' default can lead to additional liabilities. SPVs must rectify defects identified by the independent engineer at their own cost for a specified period after termination. Termination payments may be less than actual costs, affecting Trust's financial performance. Without approval, these payments may be contested as loans/advances by SPVs' shareholders without recognising the Trust as a senior lender.

Separately, there have been instances in India where concession agreements were terminated to facilitate capacity augmentation for projects, entitling the concessionaire to compensation. However, these payments may not match the projected cash flows, potentially affecting the Trust's ability to service financing agreements and deliver returns to Unitholders.

Finally, from time to time, third parties have challenges allocation of concessions before courts in India and there have been instances where reliefs such as stoppage of toll collection have been granted. In GRICL, such petition is pending and it is not possible to predict the outcome of such petition. In the event such petition is determined against GRICL, the cash flows of the Trust will be adversely impacted and will adversely impact the ability to service debt and provide distributions.

11. The Trust, and the SPVs' financing agreements may entail interest at variable rates, and any increases in the interest rates may adversely affect its results of operations, financial condition and cash flows. Further, the Trust and the SPVs may be subject to restrictive covenants under their financing agreements that could limit the Trust's flexibility in managing its business or to use cash or other assets.

The Trust expects that rupee loan financing agreements/bonds of the Trust entail interest at variable rates with a provision for the periodic reset of interest rates. Under the said financing agreements, the lenders may be entitled to change the applicable rate of interest on any date and accordingly, the Trust may be susceptible to changes in interest rates and the risks arising therefrom. Any increase in interest rates may have an adverse effect on the Trust's results of operations, financial condition and cash flows. The financing agreements with banks and financial institutions impose restrictive covenants and cross-default provisions. These covenants limit actions such as incurring debt, making capital expenditures, or changing ownership without lender approval. Breaching these covenants may impact the Trust's ability to conduct business and pay dividends, affecting results and financial condition. In case of breach, the security trustee may enforce security, requiring immediate repayment of borrowings, potentially leading to lenders taking over project SPVs. the Trust's ability to meet debt service obligations depends on cash generated by its business. Financing arrangements may require reserves, affecting cash flow distribution to Unitholders. the Trust can't guarantee sufficient cash for servicing borrowings or liquidity needs, impacting its business and results. Future refinancing is uncertain and may affect the Trust negatively.

12. The SPVs acquired by the Trust from the Sellers are subject to certain risks, which may result in damages and losses. The Trust may not be able to recover these losses from the Sponsor or third parties under relevant contractual arrangements

All SPVs have been acquired by the Trust from the Sponsor or other Sellers. The Sponsor or Sellers might have previously acquired these assets from other entities, referred to as "Original Sellers", with the terms of the previous SPA agreements novated to us, if any. The Trust has relied on information and representations from the Original Sellers as well as the Sponsors and Sellers until the acquisition date. Any adverse impact from this information may affect the Trust's earnings and cash flows. There is no assurance of recovering losses from defects or deficiencies from the Original Sellers. The Sponsor has not provided representations for the period between its acquisition of the SPVs by the Sponsor and the Trust's acquisition. There is no assurance that the Trust can recover losses from the Sponsor in case of defects or deficiencies in a timely manner, or at all.

Risk Factors (Contd.)

Additionally, SPVs may have unknown defects or deficiencies requiring extra capital expenditure or obligations to third parties, adversely affecting the Trust's earnings, cash flows, and distributions to Unitholders. Integrating and managing these assets involves realising economies of scale, controlling costs, and managing other risks, including diverting management resources from ongoing business development.

The SPVs may also have unknown or contingent liabilities, such as tax liabilities and other obligations incurred in the ordinary course of business, for which the Trust may have limited or no recourse against the Sponsor or the Seller.

13. **The acquisition of the Target SPV and other future acquisitions may expose the Trust to risks and have an adverse impact on the Trust's operations.**

The acquisition of the Target SPV and other future assets may require integration and management to realise economies of scale and control costs, posing risks such as diverting management resources from the Trust's ongoing business development. These acquisitions may disrupt operations and require significant management attention. Despite pre-acquisition due diligence, fully understanding an asset before long-term ownership is challenging. Expected benefits, synergies, or efficiencies from these acquisitions may take longer to achieve or may not be achieved at all.

Additionally, such acquisitions may expose the Trust to unanticipated business uncertainties or legal liabilities, including defects in title and lack of necessary approvals or licenses, for which the relevant parties may or may not provide indemnification.

14. **The Trust may enter into share purchase agreements for acquisition of the other future assets. The Trust may not be able to complete such acquisitions or arrange for all amounts required in a timely manner to fund such acquisitions.**

The Trust will continue to enter into SPAs for the acquisition of future assets. However, there may be challenges in completing these acquisitions or arranging the necessary funds in a timely manner. If such acquisitions are not completed due to funding issues or lack of approvals, this may adversely affect the Trust's business and operational results.

15. **Lower than expected returns on the Trust's investment in the Projects SPVs may adversely affect its financial results**

In the annuity-based projects, revenue depends on fixed amounts paid semi-annually by the concessioning authority, as specified in the concession agreements. In toll-based projects, toll revenue depends on rates set by the concessioning authority and actual traffic volume. The Trust's decisions to undertake BOT – Toll or TOT (Toll operate transfer) road projects are based on expected toll revenue estimates, which depend on traffic volume predictions. Traffic volume can be influenced by various factors beyond the Trust's control, such as economic conditions, alternative routes, transportation methods, toll plaza locations, weather, demographic changes, fuel prices, regional commercial or industrial activity, and natural disasters. Lower than expected traffic volumes could significantly reduce toll revenue. Additionally, concession agreements typically limit toll rate increases, which are set and revised by authorities, possibly preventing the Trust from covering rising operational costs. The Trust may also face competition from new roads developed by NHAI or State Governments.

NHAI can construct competing roads after a certain period, as per concession agreements, potentially affecting the Trust's projects' competitiveness. Significant decreases in traffic volume compared to forecasts could adversely impact cash flows from tolling projects, affecting its business, financial condition, and operational results. Concession agreements do not protect the Trust against rising interest rates or raw material costs. Lenders can adjust the Trust's interest rates based on credit profile reviews, and operational costs may rise due to raw material shortages or price increases beyond permitted adjustments in the agreements. Factors causing these changes are often beyond the Trust's control, and the trust cannot always increase toll fees accordingly.

In case of annuity projects (including in case of hybrid annuity projects), shortfall in meeting authority expectations on operations and maintenance, may result in reduction or suspension of such annuities. Alternatively, the financial health of the authorities may affect the timelines of annuity payments. The project SPVs require significant capital investment with potential returns over a long period. Inadequate toll revenues and annuities may result in low returns or losses on the Trust's investments, adversely affecting its liquidity, business, financial condition, and operational results.

Risk Factors (Contd.)

16. **The projects' revenues from tolls are subject to significant fluctuations due to changes in traffic volumes and the mix of traffic and a decline in traffic volumes could adversely affect their business prospects, financial condition, results of operations and their ability to make distributions. Further, the projects' revenues from tolls are subject to regulatory restrictions.**

Seven of the Trust's Project SPVs are exclusively toll-based. Toll revenues depend on toll receipts, which are influenced by changes in traffic volumes and the mix of traffic. Traffic volumes can be affected by various factors outside the Project SPVs' control, including toll rates, fuel prices, automobile affordability, the quality and convenience of alternate routes, industrial growth, and the availability of alternative transportation such as rail networks and air transport. Additionally, seasonal factors, such as monsoon rains in India, can reduce traffic volumes and affect cash flows, as operating expenses continue despite reduced toll revenues. These fluctuations can adversely affect the SPVs' business, financial condition, and operational results.

Toll revenues are also subject to regulatory and statutory conditions. For example, NHAI guidelines issued on May 26, 2021, require a maximum service time of 10 seconds per vehicle at toll plazas, with queues not exceeding 100 meters. Vehicles are allowed to pass without paying tolls if queues exceed this limit until they are reduced. Such regulations can adversely impact toll revenues and the financial health of the Project SPVs. Moreover, the National Highways Fee (Determination of Rates and Collection) Rules, 2008, stipulate a minimum distance of 60 km between toll plazas on the same section of a national highway, with some exceptions. These conditions can impact toll fee collection from established plazas.

Traffic volumes are also influenced by the toll road's connections with other parts of the state and national highway network, as well as the cost, convenience, and availability of alternative transportation and routes. Future changes in India's road network, such as road additions, closures, or traffic diversions, and the development of other transportation modes, may negatively affect traffic volumes on toll roads. High traffic levels and congestion at certain times can also be an issue. Although solutions may be considered to ease traffic flow, there is no assurance that congestion problems will be resolved satisfactorily, which could lead to user dissatisfaction and potentially reduced traffic volumes.

17. **Leakage of the tolls collected on the toll-linked projects may adversely affect the relevant SPVs' revenues and earnings.**

Seven of the Trust's SPVs are exclusively toll-based. Toll receipts are primarily dependent on the integrity of toll collection systems. The SPVs that have a toll component generate revenues from the projects through the collection of tolls. On Indian toll roads, each motorist generally pays a one-time entry tariff to the toll operator at the point of entry to the toll road based on the average trip distance calculated for all users of the toll road. These SPVs employ toll management software to monitor their operations.

There may be occasions where political parties and local communities protest against the collection of tolls on roads, limiting a SPV's ability to collect tolls. Under the terms of the SPVs' concession agreements, if the concession agreement is terminated due to a political event, the relevant concessioning authority is required to compensate the affected SPV. However, timely compensation is not assured.

Toll revenues can also be affected by reductions in toll rates set by concessioning authorities, toll evasion, theft, fraud, technical faults in toll systems, or forced violations by road users. Heavy traffic buildup, political protests, or agitations can necessitate allowing users to pass without paying tolls. Government authorities or Indian courts might suspend toll collection for certain periods, reducing revenues. While concession agreements include provisions for compensation, delays in receiving it can be considerable. Although SPVs have systems in place to minimise leakage through fraud and pilfering, any significant failure to control leakage in toll collection systems could adversely affect the business, prospects, financial condition, and results of operations of the SPV.

18. **The Trust's operating expenses are dependent on the routine and periodic major maintenance obligations contained in the concession agreements and are subject to fluctuations.**

The SPVs are required to operate and maintain the projects in accordance with the respective concession agreements. This includes preparing a maintenance manual and program in consultation with an independent engineer appointed by the NHAI or other concessioning authority. The maintenance obligations primarily involve ensuring the safe, smooth, and uninterrupted flow of traffic, including the repair of wear and tear on roads and overlaying the road surface.

Risk Factors (Contd.)

Routine and periodic major maintenance costs include raw materials, fuel, equipment, labor, maintenance and replacement of hardware and software, tolling expenses, and equipment. The prices and supply of raw materials are influenced by factors beyond the Trust's control, such as economic conditions, transportation costs, market prices, competition, production levels, and import duties, which can be cyclical. Unanticipated increases in the price of materials, fuel, labor, or other inputs will affect the SPVs' operational results, especially if major work is required due to significant wear and tear. The SPVs have limited ability to absorb these cost increases. Additionally, operational costs may increase substantially if the relevant O&M Contractors fail to perform their duties as per the O&M Agreements.

19. **The Trust may be subject to inflation/deflation and interest rate risks.**

There are no specific provisions in the concession agreements protecting the Trust against increases in interest rates or the cost of raw materials. The lenders may periodically adjust the Trust's interest rates based on their review of the Trust credit profile and perceived risks in our operations, potentially increasing our applicable interest rates. Many factors causing these adverse changes are beyond the Trust's control, and the Trust generally cannot demand matching increases in its tolling fees or annuities.

While the tolling rates may increase with an increase in the Wholesale Price Index (WPI), such increases may not be adequate to offset the negative impact of rising interest rates or higher operation and maintenance (O&M) costs. Conversely, the tolling rates may decrease with a decrease in WPI. As a result, the business, financial condition, and operational results of the Trust may be adversely affected.

20. **The SPVs have a limited period to operate the projects as the concession periods granted to the SPVs are fixed.**

Each of the concession agreements entered by the SPVs provides for a fixed term concession, subject to some variations and extension as permitted under the concession agreements or as may be granted by the concessioning authorities, at the end of which the operation of the relevant project will be transferred to the relevant concessioning authority. The Trust has, in the past, sought and been granted extensions for the concession periods which may not be received in future. In addition, there can be no assurance that the Highways Trust will be able to successfully acquire new assets to replenish its portfolio once the existing concession agreements expire. Further, if the operating periods of the Projects are shortened or disrupted or rights to operate the Projects are terminated before the expiration of the concessions, the business, financial condition and results of operations of the Trust may be adversely affected.

21. **The SPVs, which are responsible for the operation and maintenance of the projects under the respective concession agreements, may be directed by the relevant concessioning authority to undertake, and the SPVs will be obliged to perform, additional construction work.**

Under the terms of the concession agreements, the SPVs are responsible for the operation and maintenance of the projects during the applicable concession periods. A concessioning authority may require a Project SPV to provide additional work and services not included in the original scope of the concession agreement. There is no assurance that the money spent on complying with change of scope orders will be reimbursed in a timely or complete manner by the concessioning authority.

Further, in accordance with the concession agreement, the concessioning authorities may require the SPVs to procure capacity augmentation which may result in significant capital expenditure. On refusal or non-acceptance by the SPVs to undertake such augmentation, or on the failure to undertake such augmentation as per the timelines set out by the concessioning authority, the concessioning authorities may in their discretion terminate the concession agreement. As a result, the business, financial condition, and operational results of the Trust may be adversely affected.

22. **Systems failures, cyber security breaches and attacks and resulting interruptions in the toll-linked project could adversely affect our business, financial condition, cash flows and results of operations.**

The proper functioning of technology infrastructure is essential to the conduct of the Trust's business. As the SPVs rely on an electronic toll collection system, transaction-processing systems and network infrastructure are critical to the Trust's success. The Trust's electronic toll collection systems may experience service interruptions, degradation, or other performance issues due to hardware and software defects, unexpected high transaction volumes, cyberattacks, cybersecurity breaches, infrastructure changes, human error, natural disasters, power losses, telecommunications disruptions, unauthorised access,

Risk Factors (Contd.)

fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Sometimes, identifying the cause of these performance problems may not be possible within an acceptable time frame. Additionally, as techniques for unauthorised access or sabotage frequently evolve and may not be known until they occur, the Trust may be unable to anticipate or implement adequate protective measures against these attacks. The Trust's insurance coverage may not be sufficient to cover all losses resulting from service interruptions due to system failures and similar events. The Trust may need to expend significant financial and development resources to analyse, correct, or eliminate errors or defects and to address and eliminate vulnerabilities. Failure to timely and effectively resolve such errors, defects, or vulnerabilities could adversely affect the business, financial condition, cash flows, and results of operations of the Trust.

23. An inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the SPVs.

The SPVs require various approvals, licenses, registrations, and permissions regulated by Indian authorities. There is no assurance that these will be issued or renewed in a timely manner, or at all. Compliance with a wide variety of Indian laws and regulations is also required, and there is no guarantee of continuous compliance or obtaining necessary approvals. Non-compliance may lead to cancellation, revocation, or suspension of relevant permits, licenses, or approvals, interrupting operations and adversely affecting business, financial condition, and results. Certain terms in the SPVs' concession agreements, financing agreements, and other approvals require prior written consent from concessioning authorities for actions such as: 1) Amendment, modification, or replacement of project agreements if these changes increase or impose financial liability on the authorities, 2) Creation of encumbrances or security interests over, or transfer of rights under, the concession agreements or project agreements & 3) Selection or replacement of EPC or O&M contractors, and execution of related agreements. These restrictions may limit the Trust's flexibility to conduct business. If the Trust cannot pursue favorable actions or respond to unfavorable events due to these restrictions, the Trust's business, financial condition, and results of operations may be materially and adversely affected.

24. Failure to comply with and changes in, safety, health and environmental laws and regulations in India may adversely affect the business, prospects, financial condition and results of operations of the SPVs.

The Project SPVs must adhere to various environmental, health, safety, and labor laws and regulations in India as per their concession agreements. Failure to meet these requirements could result in administrative, civil, and criminal proceedings, substantial fines, penalties, and orders that could limit or halt operations. The Trust cannot assure continuous compliance with all such laws and regulations. Any changes or amendments to these standards or regulations could further regulate operations and require additional, unanticipated expenses for compliance. The impact of new regulations on operations and cash flows is unpredictable, and compliance costs could be significant. Measures taken to comply may not be deemed sufficient by authorities, potentially exceeding cost estimates. There is no assurance that the SPVs will not be involved in future litigation or proceedings related to safety, health, and environmental matters.

25. The current insurance coverage for the projects may not protect the SPVs from all forms of losses and liabilities associated with their businesses.

Road infrastructure development project contracts face several risks, including:

- Political, regulatory, and legal changes
- Shifts in government policies
- Design and engineering defects
- Equipment failure or substandard performance
- Improper installation or operation
- Labor disturbances
- Terrorism and acts of war
- Inclement weather and natural disasters
- Adverse economic and financing conditions in India
- Regulatory non-compliance

The SPVs have various insurance policies covering material damage, burglary, terrorism, fire, and natural calamities. Some also have management plus liability insurance. However, not all risks can be fully insured, and obtaining adequate insurance at reasonable rates may be challenging. Future natural disasters may disrupt traffic, affecting toll collections and operations, and causing significant damage to the projects and the environment.

Risk Factors (Contd.)

Under concession agreements, SPVs must maintain road quality and repair damages, which can incur significant costs, especially for major or uninsured damages. Insurance policies have deductibles, exclusions, and coverage limits, and their renewal is not guaranteed. Any loss not covered by insurance would need to be borne by the Project SPVs. Pending insurance claims may also fall short due to inflation, regulatory changes, and other factors, potentially impacting the Trust's business, prospects, financial condition, or results of operations. There is no assurance that future losses will not exceed insurance proceeds.

26. The cost of repairing and refurbishing existing equipment for operating, maintaining and monitoring the Projects could be significant and could adversely affect the results of operations, cash flows and financial condition of the SPVs.

Some equipment used by the SPVs has pre-determined useful lives and requires periodic repair or refurbishment as per concession agreements. These tasks may be handled by contractors under O&M agreements. However, there is no guarantee that these replacements or refurbishments will be done timely or efficiently. Any increased costs due to these activities by O&M contractors could impact the profit margins and cash flows of the SPVs.

27. The cost of implementing new technologies for collection of tolls and monitoring the Trust's projects could materially and adversely affect its business, financial condition and results of operations.

The future success of the SPVs depends partly on our ability to adapt to technological advances and emerging standards cost-effectively and timely. Rapid technology and market changes can render existing technologies and equipment obsolete, necessitating significant new capital expenditures or asset write-downs. Concessioning authorities may require implementing certain technologies in the Projects, and there is no assurance the Trust can do so timely or at all. Failure to adopt these technologies effectively could increase operational costs.

The implementation of new technologies, such as Global Navigation Satellite System-based Tolling, may lead to increased leakages in toll revenue in the short term until stabilisation is achieved. There is no guarantee that the concessioning authority will fully reimburse the cost of new technologies, which may adversely affect the Trust's business, operations, and financial condition.

28. The business and financial performance of the Trust, the operations of the projects and any future projects that the Trust may acquire, are significantly dependent on the policies of, and relationships with, various government entities in India and could be affected if there are adverse changes in such policies or relationships.

The operations of the projects and any future projects acquired by the Trust are heavily dependent on central and state government entities. These dependencies include policies, incentives, budgetary allocations, and other resources for the surface transportation industry, as well as the terms of contractual arrangements and concessions from these government entities. Continued increases in budgetary allocations by the Government of India (GoI) and various state governments for infrastructure investments, along with the development of comprehensive policies encouraging private sector participation and increased funding by international and multilateral development financial institutions, have led to and are expected to continue increasing transportation infrastructure projects in India. Any adverse change in the focus or policy framework regarding infrastructure development or the surface transportation industry, or a change in the Trust's relationships with the GoI or various government entities, could negatively impact the Projects, reduce opportunities for new projects, and harm the business, financial condition, and results of operations of the Highways Trust. Additionally, government-involved projects may face delays, extensive internal processes, policy changes, political pressures, budgetary changes, and funding insufficiencies. As government entities are responsible for awarding concessions and are integral to the development and operations of projects, their support is crucial. Any withdrawal of support or adverse policy changes may lead to renegotiation of agreements, affecting financing, capital expenditure, revenues, and operations of the projects.

29. The SPVs and projects may be subject to legal or regulatory action and the Trust may be required to incur substantial expenses in defending any such actions and there is no assurance that the SPVs will be successful in defending such action.

Certain SPVs are involved in ongoing legal proceedings at various levels before courts, tribunals, and regulatory authorities. Arbitration and litigation in India can be time-consuming and costly, requiring significant resources for defense. There is no assurance that these proceedings will be decided in favor of the SPVs,

Risk Factors (Contd.)

and they may face adverse outcomes due to changes in laws and regulations. Any significant costs incurred by a SPV in defending these legal proceedings, or any unfavorable outcomes, could adversely affect the Trust's business, financial condition and operations.

30. The Sponsor, Investment Manager, Project Manager and/or their respective Associates, the Sponsor Group and the Trustee are or may, from time to time, be involved in legal proceedings, which if determined against such parties, may have an adverse effect on the reputation, business and results of operations of the Trust.

The Sponsor, Investment Manager, Project Manager, their respective Associates, the Sponsor Group, and the Trustee may be involved in legal proceedings related to criminal, tax, civil, and arbitration matters. These cases, pending at various levels before courts, tribunals, and appellate authorities, may not be decided in their favor. Adverse decisions in any of these proceedings could negatively impact the Highways Trust's or Project SPVs' business, financial performance, and operations.

31. The SPVs depend on the O&M contractors to operate and maintain the projects. Any delay, default or unsatisfactory performance by the O&M contractors could adversely affect the SPVs' ability to effectively operate or maintain the Projects.

The SPVs must uphold concession agreement standards, delegated to O&M contractors through O&M agreements. The SPVs' control over service quality and timing may be limited, leading to inefficiencies or failures, potentially resulting in increased costs, revenue loss, and penalties, impacting financial standing. Risks include O&M contractors' inability to secure approvals or provide satisfactory services, with limited liability under contracts. Concession agreements often require concessioning authority consent for contractor selection or replacement, and any issues with contractors could hinder effective project operation or maintenance, increasing costs and revenue losses, thus affecting the Highways Trust's financial condition and operational results.

32. The SPVs may be held liable for the payment of wages to the contract labourers engaged indirectly in the operations of the Trust.

The SPVs or O&M contractors may hire independent contractors who then engage on-site contract labor. Some SPVs have obtained necessary registrations under the Contract Labour (Regulation and Abolition) Act, 1970 (the "Contract Labour Act") for locations where workmen are employed through licensed contractors or agencies. Although the SPVs do not directly employ these laborers, they may be held responsible for wage payments and other statutory benefits if an independent contractor defaults. Violations of the Contract Labour Act by a SPV could result in penalties. If any SPV is required to pay the wages of contracted workmen or faces penalties under the Contract Labour Act, it could negatively impact the reputation, operations, cash flows, and financial condition of the Trust.

33. The results of operations of the SPVs could be adversely affected by strikes, work stoppages or increased wage demands by the employees of the SPV, O&M Contractors or other sub-contractors.

Under the O&M Agreements, the SPVs engage O&M contractors to perform all required O&M activities. Strikes or work stoppages by employees of the SPV, O&M contractors, or subcontractors due to wage demands or recruitment challenges can adversely affect the ability of the SPVs to collect tolls and operate the projects. Disruptions in services provided by these employees or contractors will negatively impact SPV operations. There is no assurance that future disruptions due to workforce disputes or other issues will not occur, potentially harming the business and results of operations of the SPVs.

34. The SPVs may have experienced losses in previous years and any losses in the future could adversely affect the Trust's business, financial condition and the results of its operations, its ability to make distributions and the trading price of the Units.

The SPVs may have experienced losses in one or more of the last three fiscals. Under the Companies Act, 2013, companies without "distributable profits" cannot pay dividends. Therefore, any SPV that fails to generate distributable profits cannot pay dividends to the Trust, reducing the distributions made by the SPVs to the Trust. This reduction may adversely affect the Trust's ability to make distributions to Unitholders.

35. The Project SPVs may be required to pay additional stamp duty if any concession agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.

Currently, concession agreements are treated as non-lease deeds, and a stamp duty ranging from ₹ 100 to ₹ 500 is typically paid. However, stamp duty authorities in certain Indian states have issued notices to some concessionaires alleging inadequate stamp duty, claiming that these agreements should be treated as

Risk Factors (Contd.)

leases or development agreements, which require higher stamp duties ranging from 1.0% to 11.0% of the annual rent, premium payable, or the market value of the property. The High Courts of Allahabad and Madhya Pradesh have upheld this view. If concession agreements are found to be inadequately stamped, they would be inadmissible as evidence in legal actions until the deficient stamp duty and any penalties are paid. These documents can be impounded, and penalties may extend up to 10 times the stamp duty payable. Additionally, the person who signs an inadequately stamped instrument is subject to a fine. Concession agreements include change in law provisions, allowing concessionaires to seek amendments or compensation if a financial burden exceeding a certain threshold is imposed due to a change in law or its interpretation. However, there is no assurance that additional stamp duty will be considered a change in law by the concessioning authority. Disagreements may lead to arbitration, increasing costs. Any demand for higher stamp duty or penalties would increase project costs, potentially adversely affecting the business, operations, and prospects of the SPVs if such costs are not recoverable from the concessioning authorities.

36. The Trust has entered into material related party transactions and may continue to do so in the future, which may potentially involve conflict of interests with the Unitholders.

The transactions resulting from the Project Management Agreement and Investment Management Agreement are related party transactions. Their terms may not be as favorable as those negotiated solely among unaffiliated third parties. Additionally, the Trust is likely to enter into more related party transactions in the ordinary course of business, which may also not be as favorable and could involve conflicts of interest. These transactions, individually or collectively, could materially and adversely affect the Trust's business, prospects, financial condition, results of operations, and cash flows.

37. There may not be any eligible acquisition opportunities from the Sponsor or third parties in the future, which may adversely affect the Trust's business, financial condition, results of operations and prospects.

The Highways Trust aims to achieve portfolio growth through its acquisition strategy, relying on third parties for attractive opportunities and potentially acquiring assets from the Sponsor. However, there is no assurance that such opportunities will materialise or be offered by the Sponsor. Additionally, any acquisition will require necessary regulatory approvals, which are not guaranteed. Eligible acquisition opportunities from third parties may not materialise, and increased competition from other InvITs and third parties may result in financially undesirable acquisition prices. An inability to grow through prudent acquisitions may adversely affect the Trust's business, financial condition, and results of operations.

38. The Trust may not be able to successfully fund future acquisitions of new projects due to the unavailability of equity financing on acceptable terms, which could impede the implementation of its acquisition strategy and negatively affect its business.

The Trust may fund future acquisitions by issuing additional units, potentially diluting the interests of existing Unitholders. There is no assurance that the required number of units can be issued on short notice or at all due to possible lack of investor demand at acceptable prices. This lack of funding could hinder the Trust's ability to pursue its acquisition strategy successfully. Potential vendors may also view the prolonged timeframe and uncertainty of raising equity capital negatively, preferring other buyers. Furthermore, compliance with SEBI InvIT Regulations and foreign exchange regulations is necessary, especially since the Sponsor is a non-resident entity. Future investments in holding companies or SPVs may be subject to additional conditions prescribed for infrastructure sector investments.

39. The use of additional leverage by the Investment Manager and the Trust carries inherent risks. Moreover, the Trust may face challenges in funding future acquisitions of new projects due to the unavailability of debt financing. This could impede the implementation of its acquisition strategy and have a negative impact on its business.

Although the Investment Manager aims to use leverage prudently, it magnifies both gains and losses. Leverage costs and availability vary, potentially limiting distributions and investment appreciation. Rising interest rates can decrease profitability and exacerbate losses in adverse conditions. If a SPV can't generate enough cash flow to meet debt obligations, the Trust may lose its investment. Debt financing for acquisitions may be unavailable or come with unfavorable terms due to legal restrictions and Reserve Bank of India limits on borrowing. Regulatory approvals for foreign currency borrowing are not guaranteed. Additional conditions apply due to the Sponsor's and Investment Manager's foreign status. Financing agreements

Risk Factors (Contd.)

may allow lenders to change interest rates, affecting profitability. Existing agreements impose constraints like maintaining a minimum credit rating and certain financial ratios. Noncompliance can limit further borrowing.

Restrictive covenants and cross-default provisions in financing agreements may limit business operations and any breaches can have severe consequences, including enforcement of security. Debt financing increases vulnerability to economic conditions, limits operational flexibility, and may restrict the ability to acquire new projects or make distributions to Unitholders due to cash flow commitments to debt service.

40. The ability of the Trust to make or maintain consistency in distributions to Unitholders depends on the financial performance of the SPVs and their profitability.

Distributions by the Trust depend on various factors such as earnings, financial condition, cash flows, working capital, and capital expenditures of the SPVs. Income from projects relies on toll receipts, annuities, and operating expenses. Insufficient operating profit from these projects will negatively impact the Trust's income, cash flows, and distributions to Unitholders. Dividend payments by SPVs are subject to Indian laws, regulations, and contractual restrictions. Under InvIT Regulations, if asset sale proceeds are reinvested, the Trust is not required to distribute these proceeds to Unitholders. The InvIT Regulations mandate that the Trust distribute at least 90% of net distributable cash flows from each SPV. Distributions must be declared and made at least once per financial year within 15 days of declaration. There is no guarantee that distributions will be made consistently. Changes in the method of calculating net distributable cash flows or applicable laws (including not having adequate distributable profits or means of distributing under Companies Act, 2013) may affect the ability to maintain consistent distributions. Expanding the Trust's portfolio does not guarantee increased cash flows or higher distributions to Unitholders.

41. The Trust has its credit ratings re-affirmed by credit rating agencies

The credit ratings of the Trust have been reaffirmed by rating agencies (CRISIL and India Ratings). The details of the same are as follows:

Nature of Instrument	Amount (₹ Million)	CRISIL Ratings		India Ratings	
		Rating	Date of Rating	Rating	Date of Rating
Rupee Term Loan	26,800	AAA/Stable	January 24, 2024[3]	AAA/Stable	February 08, 2024
Non-Convertible Debentures	13,618[1]	AAA/Stable	January 24, 2024[3]	AAA/Stable[1]	February 08, 2024
Commercial Papers	2,750	A1+/Stable	January 24, 2024[3]	A1+/Stable	February 08, 2024
Bank Guarantee	750[2]	-	-	AAA/Stable	February 08, 2024

[1]Includes proposed NCDs of ₹ 2,200 million. Provisional AAA for proposed NCDs of ₹ 2,200 million.

[2]Undrawn as on date

[3]factors in announcement on January 15, 2024, by HIT to acquire 12 road special purpose vehicles (SPVs) owned by PNC Infratech Limited and PNC Infra Holdings Limited

Further, the Trust has received letters from CRISIL Ratings and India Ratings dated April 02, 2024 and April 01, 2024 respectively stating revalidation of ratings as per table above.

There is no assurance that CRISIL Ratings or India Ratings will continue to provide a Stable outlook along with credit rating of AAA to the Highways Trust or that the agencies will provide a rating without covenants. A negative or lower rating may adversely affect the Trust's ability to raise additional financing, and the interest rates and other terms at which such additional financing is available. This in turn could materially and adversely affect the Trust's business, prospects, financial condition, results of operations and cash flows.

42. The Trust does not own the trademark "Highways Infrastructure Trust" and the associated logo to be used by it for its business and its ability to use the trademark may be impaired.

The Trust has not made an application for the use of the trademark "Highways Infrastructure Trust" and the associated logo. Trust's ability to use the trademark and the associated logo may be impaired if it does not make a trademark application, or if such an application is made and the application is rejected. Consequently, Trust could be required to cease using "Highways Infrastructure Trust" and the associated logo, which may have an adverse effect on its operations.

Risk Factors (Contd.)

Risks Relating to the Trust's Organisation and Structure

43. The Trust depends on the Investment Manager, the Project Manager, and the Trustee to manage its business and assets, and its financial condition, results of operations and cash flows and its ability to make distributions may be harmed if the Investment Manager, Project Manager or the Trustee fail to perform satisfactorily. The rights of the Trust and the rights of the Unitholders to recover claims against the Project Manager, the Investment Manager or the Trustee may be limited.

The success of Trust's business and growth strategy relies heavily on the satisfactory performance of services by the managers. However, Trust's recourse against the Project Manager, Trustee, and Investment Manager is limited. The Project Manager's maximum liability under the Project Management Agreement is limited to the service fees payable in each financial year, except in cases of gross negligence, willful default, or fraud. The Trustee is not liable to Unitholders for providing information in good faith as required by InvIT Regulations or law, even if the request was not enforceable. The Trustee is also not liable for actions taken in good faith based on the Investment Manager's advice or requests. Trustee's liability is limited to the fees received, except in cases of fraud, gross negligence, or misconduct as determined by a competent court. The Investment Manager's liability to the Trustee and its directors, employees, and officers for breach of obligations is limited to the fees paid under the Investment Management Agreement for that financial year. The Investment Manager is not personally liable for indirect or consequential losses, costs, damages, or expenses, except for losses resulting from disabling conduct. As a result, Unitholders may not be able to recover claims against the Project Manager, Trustee, or Investment Manager. Termination or alteration of management agreements could adversely affect the Trust's business, as replacing these services might not be immediate or may come with less favorable terms than those currently provided.

44. The Trust's success depends in large part upon the Investment Manager and Project Manager, the management and personnel that they employ, and their ability to attract and retain such persons.

The Trust's ability to make consistent distributions to Unitholders depends on the continued service of management teams and personnel of the Investment Manager and Project Manager. Both managers may face challenges in recruiting and retaining skilled personnel due to significant competition in this findustry in India. Attracting and retaining the necessary talent may be difficult, and there could be issues with re-deploying and re-training employees to meet evolving industry standards and changing customer preferences. The loss of key personnel from either manager could materially and adversely affect the business, prospects, financial condition, results of operations, and cash flows of the Trust.

45. The Investment Manager has limited experience in investment management activities for an InvIT and may not be able to successfully implement its investment strategy for and Investment Objectives of the Trust or to manage the Trust's growth effectively.

The Investment Manager, along with its directors and employees, has limited experience in managing investments for an InvIT. There is no assurance that the Investment Manager will successfully implement it's investment strategy or objectives, expand the Trust's portfolio, or meet distribution projections. The Trust's performance will depend on factors such as efficient project management, regulatory changes, competition for assets, and macroeconomic conditions, all of which influence the availability of road asset acquisitions and financing options.

The Trust relies on external funding to expand its asset portfolio, which may not always be available on favorable terms, or at all. Even with successful acquisitions, managing an expanded portfolio could strain the Investment Manager's management and administrative resources and the Trust's capital. There is no guarantee that the Trust will manage these assets efficiently or achieve the intended returns. The Investment Manager can resign with notice as per the Investment Management Agreement, or the Trust may replace the Investment Manager according to the Trust Deed. The appointment of a new investment manager could potentially impact the financial performance of the Trust.

46. The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. The Trust cannot assure you that the Investment Manager will be able to comply with such requirements.

The Investment Manager must adhere to ongoing reporting and management obligations for the Trust as mandated by SEBI InvIT Regulations. These obligations include:

1. Making investment decisions for the Highways Trust's assets or projects.

Risk Factors (Contd.)

2. Overseeing the Project Manager's activities.
3. Investing and declaring distributions per SEBI InvIT Regulations.
4. Submitting reports to the Trustee.
5. Ensuring the audit of the Highways Trust's accounts.

The Trust cannot guarantee that the Investment Manager will meet these requirements promptly, or at all. Non-compliance could subject the Investment Manager, the Trust, or involved parties to penalties under SEBI InvIT Regulations, SEBI Intermediaries Regulations, and the SEBI Act. Such penalties could adversely affect the Trust's business, financial condition, and operations.

Additionally, SEBI has the authority to inspect documents, accounts, and records related to the Highways Trust, Project SPVs, or involved parties from time to time. SEBI may issue directives such as:

1. Requiring the Highways Trust to surrender its registration certificate.
2. Mandating the winding up of the Trust.
3. Ordering the sale of the Trust's assets.
4. Directing actions in the interest of investors.
5. Prohibiting the Trust or involved parties from operating or accessing the capital markets for a specified period.

Failure to comply with these directives can have severe consequences for the Trust's business and financial performance.

47. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.

The Highways Trust, an irrevocable trust registered under the Indian Registration Act, 1908, can only be extinguished under certain conditions: (i) if it becomes impossible or impracticable to continue; (ii) with written recommendation from the Investment Manager and consent from the required number of Unitholders under InvIT Regulations; (iii) if its units are delisted from the Stock Exchange; (iv) if SEBI directs it to wind up or delist; or (v) if its activities become illegal. Upon dissolution, there is no assurance that Unitholders will recover their investment.

In case of default under financing documents, the Trustee will try to cure the default or repay the lender by divesting assets or raising additional funds. If the default is not cured and the lender initiates proceedings, the Highways Trust will be terminated. Upon termination, net assets paid to Unitholders will consider the Trust's debt and liabilities, with no assurance of recovering the full investment.

48. As a shareholder of the SPVs and a proposed shareholder of the Target SPV, the Trust's rights are subordinated to the rights of creditors, debt holders and other parties specified under Indian law in the event of insolvency or liquidation of the SPVs or any Target SPVs.

To the extent the senior debt at any of the SPV is not refinanced by loan from the Trust, in the event of liquidation of such SPVs or Target SPVs acquired by the Trust, secured and unsecured creditors will have priority over the Trust as an equity shareholder in receiving payment from the liquidation proceeds. Under the Insolvency and Bankruptcy Code, 2016, during the winding-up of any SPV or Target SPVs, the payment priority is as follows: workmen's dues and secured creditors' debts (pari passu), wages and salaries of employees, unsecured creditors' debts, amounts due to the central or state government, other debts, preference shareholders, and finally equity shareholders. Additionally, any unsecured debt issued by the SPV or Target SPVs to the Trust will be subordinated as outlined above.

49. Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.

The Trust Deed and various provisions of Indian law govern the Trust's affairs. Legal principles relating to these matters and the validity of procedures, fiduciary duties and liabilities, and Unitholders' rights may differ from those that would apply to a company in India or a trust in another jurisdiction. Unitholders' rights and disclosure standards under Indian law may also differ from the laws of other countries or jurisdictions.

50. The Trust is governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 ("SCRA"), the implementation and interpretation of which, is evolving. The evolving regulatory framework governing infrastructure investment trusts in India may have a material adverse effect on the ability of certain categories of investors to invest in the Units, the Trust's business, financial condition and results of operations and its ability to make distributions to the Unitholders.

The Trust operates under the InvIT Regulations, issued in 2014, which include additional guidelines and

Risk Factors (Contd.)

circulars. The regulatory framework for infrastructure investment trusts in India is still evolving, leading to uncertainties in interpretation and enforcement. Some aspects, such as follow-on public offers, bonus issues, unitholder liabilities, and dissolution procedures, remain unclear. Infrastructure investment trusts are not classified as "companies" or "bodies corporate" under the Companies Act, 2013 and various SEBI regulations. SEBI has released consultation papers in 2023 regarding unitholding of sponsors and rights of unitholders, which could lead to regulatory changes. The InvIT Regulations and related laws are largely untested, and any amendments or new interpretations could be time-consuming and costly to resolve, potentially impacting its business viability and ability to grow or make distributions to Unitholders. Changes in regulations or interpretation thereof or enforcement practices may require alterations to the Trust's structure, agreements, or operations, incurring costs, fines, legal fees, or business interruptions. SEBI can inspect the Trust's books and operations, and based on findings, it can take actions such as requiring surrender of its registration, winding up operations, selling assets, restricting capital market access, or other measures deemed appropriate. Such actions could materially affect the Trust's business and financial condition. Since April 1, 2021, units and other instruments issued by an InvIT are considered 'securities' under section 2(h) of the SCRA. The implementation and interpretation of this amendment are still evolving, making the applicability of various regulations to the Trust unclear. There is no assurance that future legal frameworks will not impose additional regulations affecting the Trust's operations. New laws or amendments could adversely impact the Trust's business if the Trust cannot comply. Compliance with new regulations may incur significant costs and resources, and failure to comply could adversely affect the Trust's business and financial results.

51. **The reporting requirements and other obligations of infrastructure investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to theUnitholders may be more limited than those made to or available to shareholders of a company that has listed its equity shares upon a recognised stock exchange in India.**

The InvIT Regulations, along with SEBI's guidelines and circulars, govern infrastructure investment trusts in India. Unlike the well-established framework for companies listed on Indian stock exchanges, the regulatory framework for infrastructure investment trusts is still evolving. Disclosures made to the Unitholders under the InvIT Regulations may differ from those made to shareholders of listed companies under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"). A specific governance framework for InvITs and REITs was prescribed by SEBI through an amendment on February 14, 2023. The rights of the Unitholders may not be as extensive as those of shareholders in listed companies, offering potentially less protection.

52. **It may be difficult for the Unitholders to remove the Trustee or the Investment Manager.**

Under the InvIT Regulations, removing the Trustee or Investment Manager requires prior approval from Unitholders, with at least one and a half times more votes in favor than against. This makes it difficult for Unitholders to remove and replace them. Additionally, any change in the Investment Manager requires prior SEBI approval.

53. **Unitholders will have no vote in the election or removal of Directors in the Investment Manager and will be able to remove the Investment Manager and Trustee only pursuant to a majority resolution.**

The Investment Manager is responsible for managing the Trust, and Unitholders cannot vote to elect or remove its Directors. Unitholders can only remove the Investment Manager with a resolution approved by holders of at least 60% of the Units. In comparison, the Companies Act, 2013 requires only a simple majority for the removal of a public company director. Unitholders can remove the Trustee only if they believe the Trustee's actions are detrimental to their interests and by meeting the required voting percentage set out in the InvIT Regulations. The Investment Manager and Trustee cannot be discharged until a suitable replacement is appointed, which may not happen promptly or at all. Thus, unlike shareholders of a public company, Unitholders may face significant challenges in removing the Investment Manager or Trustee.

Risks Relating to the Units

54. **Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the Units.**

Under current foreign exchange regulations in India, unit transfers between non-residents and residents are allowed if they comply with RBI's pricing and reporting requirements. Non-compliant transfers require RBI's

Risk Factors (Contd.)

prior approval. Unitholders wishing to convert sale proceeds into foreign currency and repatriate them need a no-objection or tax clearance certificate from Indian income tax authorities. There is no assurance that required approvals from RBI or other governmental agencies will be obtained in a timely manner, or at all. Unitholders cannot redeem units while listed on the Stock Exchange. Redemption is only possible through a buyback or delisting, subject to additional Indian regulatory conditions and restrictions.

55. Market and economic conditions may affect the market price and demand for the Units.

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of and demand for the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

56. Any future issuance of Units by the Trust may dilute investors' Unitholding. The sale or possible sale of a substantial number of Units by the Sponsor or another significant Unitholder could adversely affect the price of the Units.

Where new Units are issued at less than the market price of the Units, the value of an investment in the Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of Units may experience a dilution of their interest in the Highways Trust.

Further, under the InvIT Regulations, the Sponsor and Sponsor Group, collectively, are required to lock-in units from the date of listing pursuant to the initial offer in a manner as described at Regulations 12(3) and 12(3A) of the InvIT Regulations. If the Sponsor/ significant unitholder sells or is perceived as intending to sell a substantial number of its Units, the market price for the Units could be adversely affected.

Risks Relating to India

57. The Trust are exposed to risks associated with the road sector in India.

The Trust derives and expects to continue to derive in the foreseeable future, most of the revenues and operating profits from India. Changes in macroeconomic conditions generally impact the road industry and could negatively impact the Trust's business. Accordingly, the business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Since the use of the Trust's Projects, its expansion plans and future projects depend or will depend on macroeconomic factors that may negatively impact demand the development of road infrastructure projects in India, or the timely commencement of their operations could in turn have a material adverse effect on our growth prospects, business and cash flows. Any of these factors and other factors beyond our control could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

58. The Trust's performance and growth are dependent on the factors affecting the Indian economy.

The Trust's performance and growth are closely tied to the Indian economy, which is influenced by various factors. The Indian economy has been impacted by global economic uncertainties, interest rate volatility, currency exchange rates, commodity and electricity prices, and adverse agricultural conditions. External conditions, such as the Ukraine / Gaza crisis and economic slowdowns in major regions like the U.S., Europe, and China, affect India's growth and may prompt changes in Government of India (GoI) policies.

Although recent Indian governments have promoted private sector participation, any adverse policy changes could further slow the economy. Reduced economic liberalisation and changes in laws affecting foreign investment and currency exchange rates could also occur. Additionally, an increase in the trade deficit or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, further affecting the economy and the Trust's business. Any downturn in India's macroeconomic environment could materially and adversely affect the Trust's business, prospects, financial condition, results of operations, and cash flows.

The Indian economy is heavily influenced by global economic conditions and relationships, particularly with the U.S., Europe, Canada, and emerging Asian economies. Financial turmoil in regions such as Asia and Russia has negatively impacted the Indian economy, causing increased market volatility. Economic instability in one country can spread, affecting investor confidence and causing further volatility in India.

Risk Factors (Contd.)

59. Changing laws, rules and regulations, including changes in legislation or the rules relating to tax regimes, legal uncertainties and the political situation in India may adversely affect the Trust's business, financial condition, results of operations and ability to make distributions to our Unitholders.

The Trust's business, financial condition, and results of operations could be adversely affected by changes in laws, interpretations of existing laws, or the introduction of new regulations applicable to the Trust. The Trust cannot assure you that the Government or state governments will not implement new regulations and policies requiring the Highways Trust and Project SPVs to obtain additional approvals and licenses or imposing onerous requirements on its operations.

Regulatory changes in India, particularly regarding the InvIT Regulations and taxation laws such as the Finance Act, 2020, could result in a higher tax liability than projected. The application of various Indian sales, value-added, and other tax laws to the Trust's services may be subject to stricter interpretations by authorities, potentially increasing its tax payments (both prospectively and retrospectively) and subjecting the Trust to penalties. These developments could impact its business operations and our ability to make distributions to its Unitholders.

60. The Trust may be exposed to variations in foreign exchange rates. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies could affect the foreign currency equivalent of the value of the Units and any distributions.

The Trust's revenues are in Indian rupees, and currently, the Trust has no interest or loan repayments in foreign currency for debt utilised by the SPVs. However, the Indian rupee has depreciated in recent years and may continue to depreciate against the U.S. dollar, which could increase the cost of servicing and repaying any future foreign currency borrowings. Additionally, in the event of disputes under any future foreign currency borrowings, the Trust might be required to defend itself in foreign courts or arbitration proceedings, incurring additional costs.

A depreciation of the Indian rupee would also raise the costs of imports, potentially having a material adverse effect on the Trust's business, financial condition, results of operations, and cash flows. Exchange rate fluctuations between the Indian rupee and other currencies could impact the foreign currency equivalent of the Indian rupee price of the Units. These fluctuations might also affect the amount Unitholders receive in foreign currency when converting cash distributions or other payments made in Indian rupees by the Trust, as well as any proceeds from the sale of Units in the secondary market.

61. Social, economic and political conditions and natural disasters could have a negative effect on the Trust's business.

Each of the SPVs is incorporated in India and they derive all of their revenue from India. In addition, all of the Trust's assets are located in India. Consequently, its business and the trading price of its Units may be adversely affected by the social, economic and political conditions in India and its neighbouring countries. Specific risks, such as the following could adversely influence the Indian economy, thereby having a material adverse effect on the Trust's business, financial condition, results of operations and cash flows:

- political instability, riots or other forms of civil disturbance or violence;
- War, terrorism, invasion, rebellion or revolution;
- Government interventions, including expropriation or nationalisation of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing regulatory regimes;
- underdeveloped industrial and economic infrastructure;
- changes in exchange rates and controls, interest rates, government policies, taxation and economic and political developments;
- changes in policies such as, the fiscal and economic policy, industrial policy, direct and indirect taxes and the export-import policy; and
- changes in state specific regulation and conditions.

Pandemics, such as the outbreak of the COVID-19, and natural disasters such as floods, earthquakes or famines, events and conditions linked to climate change have in the past had a negative impact on the Indian economy. Potential effects may include damage to infrastructure and the loss of business continuity and business information. If the Trust's facilities are affected by any of these events, its operations may be significantly interrupted, which could materially and adversely affect its business, prospects, financial condition, results of operations and cash flows.

Risk Factors (Contd.)

62. Any downgrading of India's debt rating by rating agencies could have a negative impact on the Trust's business.

India's sovereign rating increased from a Baa3 with a "negative" outlook in 2020 to a Baa3 with a "stable" outlook in 2021 by Moody's and from BBB- with a "negative" outlook in 2021 to BBB- with a "stable" outlook in 2022 by Fitch. India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside the Trust's control. Any adverse revisions to India's credit ratings by rating agencies may adversely affect the Trust's ability to raise additional financing, and the interest rates and other terms at which such additional financing is available. This could materially and adversely affect the Trust's ability to obtain financing for capital expenditure, which could in turn materially and adversely affect its business, prospects, financial condition, results of operations and cash flows.

63. Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP, which may be material to investors' assessments of the Trust's financial condition, result of operations and cash flows.

The Audited Financial Statements included in this Annual Report are prepared and presented in conformity with Ind AS differs from other accounting principles with which prospective investors may be familiar in, such as IFRS, Indian GAAP and U.S. GAAP. In addition, as the mandated transition to Ind AS is very recent, there is no significant body of established practice from which the Trust can draw on in forming judgments regarding the implementation and application of Ind AS, as compared to established IFRS or Indian GAAP generally, or in respect of specific industries. Accordingly, the degree to which the Audited Financial Statements included in this Annual Report will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

64. Unitholders may not be able to enforce a judgment of a foreign court against the Trust or the Investment Manager.

Enforcing civil liabilities for overseas investors in the Units encounters various challenges due to jurisdictional constraints and the legal framework in India. The Trust and Investment Manager, along with their assets and personnel, are all based in India, making it problematic to serve legal documents or enforce judgments outside the country. India lacks international treaties for recognising foreign judgments, and while certain countries are designated as reciprocating territories under Section 44A of the Civil Procedure Code, the United States is notably absent from this list. Moreover, legal proceedings in India may be subject to delays, and judgments from foreign courts might not be enforceable if deemed excessive or inconsistent with Indian public policy. Any attempt to enforce a foreign judgment in India requires prior approval from the Reserve Bank of India and may incur income tax liabilities. Additionally, foreign judgments are converted into Indian Rupees at the time of payment, exposing parties to foreign exchange risks. Further complicating matters, the incorporation of the Sponsor in Singapore adds another layer of complexity. Enforcement against the Sponsor is subject to Singaporean laws, making it subject to a separate legal jurisdiction. Overall, these factors contribute to the uncertainty and challenges faced by investors seeking recourse outside of India.

65. The Trust may be affected by competition law in India and any adverse application or interpretation of the Competition Act, 2002 ("Competition Act") could adversely affect the Trust's business.

The Competition Act in India governs practices that could negatively impact competition, rendering arrangements void if they cause appreciable adverse effects. It prohibits agreements among competitors that directly or indirectly fix prices, control production, supply, or markets, or engage in bid-rigging or collusive bidding. Additionally, it prevents enterprises from abusing dominant positions in the market. The Competition Commission of India (CCI) has jurisdiction beyond India's borders, enabling investigations into agreements or conduct abroad that affect Indian competition adversely. Future acquisitions by the Highways Trust may necessitate approval from the CCI if they exceed specified thresholds. While there are currently no ongoing compliance proceedings, any adverse application or interpretation of the Competition Act, enforcement actions by the CCI, or associated penalties could significantly impact the business, financial condition, and operations of the Trust.

Risks Relating to Taxation

66. Changes in legislation or the rules relating to tax regimes could materially and adversely affect the Trust's business, prospects and results of operations.

Tax and other levies imposed by the Government and state governments include income tax, excise duty, VAT/ GST, service tax, stamp duty, and other temporary or

Risk Factors (Contd.)

permanent taxes. These may change yearly, and courts may apply retrospective interpretations. The Finance Act 2023, effective April 1, 2023, taxes unitholders on distributions not covered under sections 10(23FC), 10(23FCA), or 115UA(2) of the IT Act as income. Amounts exceeding the unit issuance cost, minus previously taxed amounts, will be taxed under section 56(2)(xii). Specified persons under section 10(23FE) are exempt under certain conditions. Distributions not taxed under sections 56(2)(xii) and 115UA(2), nor covered by sections 10(23FC) or 10(23FCA, will reduce the cost of units. The Finance Act also exempts tax deducted at source on dividends paid to InvITs.

Major tax reforms include GST and GAAR. GST, effective from July 1, 2017, combines various taxes into a unified rate. Future amendments may affect tax efficiency and increase payable taxes. GAAR, effective from April 1, 2017, allows authorities to invalidate arrangements primarily aimed at tax benefits if they meet specified tests, impacting tax benefits and treaty claims. FIIs are exempt from GAAR under certain conditions. Finance Act 2022 extends section 94(7) of the IT Act to business trust units, ignoring losses from sale and purchase around dividend dates for tax computation. Section 94(8) extends to business trust units, ignoring losses from sale and purchase of bonus units, with the ignored loss deemed as the cost of additional units. The Investment Manager has not assessed the impact of these legislations. Compliance may increase costs, require management resources, and any non-compliance may adversely affect the Trust's business. Uncertainty in law interpretation or changes may impact business viability and growth.

67. Investors in the Trust may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units or on certain distributions from the Trust.

Under current Indian tax laws, business trust units held for more than 36 months are long-term capital assets. If sold through a recognised stock exchange with STT paid, gains over ₹ 0.10 million are taxed at 10% (plus surcharge and cess). If sold otherwise, they are taxed at 20% with indexation (plus surcharge and cess). Non-resident holders may benefit from tax treaties. The Finance Act 2020 shifted dividend tax incidence to shareholders. Dividends from business trusts are tax-free for unitholders if the SPV hasn't opted for the corporate tax regime under Section 115BAA. Otherwise, dividends are taxed at 20% for non-residents or treaty rate and ordinary rates for residents, with business trusts required to withhold tax. Interest and dividend income distributed to residents and non-residents from SPVs under Section 115BAA are taxed at 10% and 5%-10% respectively (plus surcharge and cess). The Finance Act 2021 defines "pooled investment vehicles" to include business trusts, recognising their units and instruments as "securities." This affects regulations under SEBI. The Finance Act also exempts tax deducted at source on dividends paid to InvITs from April 1, 2020. The Highways Trust may face challenges in maintaining or increasing distributions, potentially affecting unit market prices.

68. Tax laws are subject to changes and differing interpretations, which may adversely affect the Trust's operations

Tax laws and regulations can be interpreted differently by tax authorities, creating uncertainty and potential unexpected results. This uncertainty, combined with significant penalties and the risk of aggressive actions, including retrospective legislation, may increase tax risks. While the Investment Manager aims to comply with all relevant tax laws, there's no assurance that tax authorities won't take a different position on the Trust's tax treatment. Such events could adversely affect our business, financial condition, results, and prospects. Additionally, new regulations could be introduced that negatively impact the Trust's business and profitability. the Trust's SPVs face tax assessments and notices that, if unfavorable, may adversely impact its financial position and prospects.

69. The Trust and the SPVs may be subject to certain tax related risks under the provisions of the IT Act.

Shortfall in the determination of fair market value of the equity shares at the time of transfer of the Target SPV to the Highways Trust, may be subject to taxation in the hands of the acquirer. The equity shares of the Target SPV are proposed to be transferred to the Highways Trust. Under the provisions of section 56(2)(x) of the IT Act, where a purchase of shares is undertaken at a value which is lower than the fair market value of the shares, such shortfall in value is subject to be taxed as income from other sources in the hands of the acquirer. The manner of determination of fair market value as provided under the Income Tax Rules, 1962, includes the value determined by net asset method, subject to the prescribed adjustments.

Risk Factors (Contd.)

70. Certain SPVs enjoy certain benefits under Section 80-IA of the IT Act and any change in these tax benefits applicable to the Trust may adversely affect its results of operations.

Under section 80-IA of the IT Act, certain SPVs can enjoy a tax holiday for 10 consecutive years out of 20 years from the start of their operations. During this period, profits from developing, operating, and maintaining infrastructure facilities (including toll roads) are tax-exempt. Other income, such as interest or profit from mutual funds, remains taxable. Project SPVs are subject to MAT if they have book profits as per section 115JB of the IT Act. Changes in tax benefits under section 80-IA or MAT provisions may affect the tax liability and distributions to the Trust. Non-compliance with section 80-IA conditions could result in additional taxes and adversely impact the Trust's business and distributions. Benefits under section 80-IA are unavailable if Project SPVs opt for the tax regime under section 115BAA, in which case MAT provisions also do not apply.

71. The income of the Trust in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.

Under the IT Act, the total income of the Highways Trust, excluding capital gains, interest, and dividends from Project SPVs, is taxed at the Maximum Marginal Rate (MMR), defined as the highest income tax rate plus surcharge. According to section 115UA, the MMR for the Highways Trust is 30% (plus surcharge and cess). However, if viewed as a "pass-through" entity, the tax rate applied to the Highways Trust's income will depend on its beneficiaries' MMR. For instance, if a Unitholder is a non-resident, the applicable MMR is 40% (plus surcharge and cess).

72. Depreciation may not be claimed on the capitalised cost of a road constructed on a BOT basis.

The SPVs classify BOT projects as capital assets and claim depreciation on their capitalised costs. Under the IT Act, depreciation claims require the asset to be a capital asset, owned by the claimant, and used for business. For BOT projects, developers lease land from the GoI without ownership transfer. Judicial decisions suggest depreciation is allowed if the developer has dominant control over the asset during the concession period. The SPVs may be considered owners of BOT-constructed roads. However, unlike leasehold buildings explicitly allowed for depreciation, BOT projects lack specific IT Act provisions. The Apex Court has ruled ownership is necessary for depreciation claims. The Central Board of Direct Taxes' Circular No. 9 of 2014 states that project costs should be amortised, not depreciated, impacting the Trust's financials. The SPVs can claim a tax deduction under section 80-IA(4)(i) of the IT Act, meaning depreciation adjustments don't affect income tax during the tax holiday. However, if higher depreciation is allowed during the tax holiday, post-holiday tax liability will increase

73. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavourable implication for us.

The Ministry of Finance, GoI, has set up a panel to review the IT Act and draft new direct tax legislation. This aims to align India's tax regime with international best practices and ensure compliance. The Panel's report and proposed legislation could have unfavorable implications for us. As the Panel's findings and recommendations are not yet released, the impact on the Trust is unknown. Any new direct tax legislation may materially and adversely affect the Trust's business, prospects, financial condition, results of operations, and cash flows.

Unit Price Performance and Distribution

Units represent an undivided beneficial interest in Highways Infrastructure Trust (the **"Trust"** or the **"Highways Trust"**). The initial offer of Units was undertaken by way of private placement, in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, read together with the circulars and guidelines issued thereunder (**"SEBI InvIT Regulations"**). The Units have been listed on the National Stock Exchange (**"Designated Exchange"**) since August 25, 2022.

Securities information in connection with the Units on the Designated Exchange:

Board Status	Trading Status	Trading Segment	Session No.	SLB	Class of Units	Derivatives	Issued Capital (Units)	Surveillance Indicator
MAIN	ACTIVE	NORMAL MARKET	-	NO	HYBRID	NO	74,68,85,834	NA

Past performance of the Trust with respect to unit price for the last 5 years, and price quoted on Designated Strock Exchange at the beginning and the end of the year and the highest and the lowest unit price and the average daily volume traded during the financial year

Based on the information available on the Designated Exchange website, there has been nil trading of the Units on the Designated Exchange since the initial date. Accordingly, there is no relevant information for the Trust for the past performance of the unit price for the last 5 years or the highest and lowest unit price and the average daily volume traded during the financial year. To ensure full disclosure the Trust is setting out below the price at which issuance has been undertaken since listing:

Sr. No.	Type of issue	Date of Listing	Price of Issuance	NAV on such date	No. of Securities
1	Initial Offer	August 25, 2022	₹100.00/- each fully paid up	100.00	41,55,00,000
2	Rights Issue	October 17, 2023	₹77.96/- each fully paid up	77.96	6,59,31,294
3	Preferential Issue	January 20, 2024	₹82.50/- each fully paid up	82.50	26,54,54,540
TOTAL (as on March 31, 2024)					**74,68,85,834**

Past performance of the Trust with respect to the distribution for the last 5 years

The Investment Manager on behalf of the Trust has made 8 (Eight) distributions since formation. Out of these, 4 (Four) distribution(s) were undertaken during the financial year ended March 31, 2024.

Set our below are the distribution details:

Distribution Period	Date of approval of distribution	Record date of distribution	Interest per unit	Return of Capital per unit	Dividend per unit	Other Income	Total Distribution per unit
Q2 of FY 2023	November 11, 2022	November 19, 2022	1.49	0.86	2.49	-	4.84
Q3 of FY 2023	February 8, 2023	February 15, 2023	1.99	1.45	1.36	0.03	4.84
Q3 of FY 2023	March 8, 2023	March 19, 2023	-	4.84	-	-	4.84
Q4 of FY 2023	May 19, 2023	May 27, 2023	0.70	0.69	0.30	-	1.69
Q1 of FY 2024	August 11, 2023	August 19, 2023	1.01	1.01	0.63	-	2.65
Q2 of FY 2024	November 9, 2023	November 18, 2023	0.51	0.08	0.28	-	0.87
Q3 of FY 2024	February 6, 2024	February 14, 2024	0.82	2.32	0.48	0.05	3.66
Q4 of FY 2024	May 16, 2024	May 24, 2024	1.02	0.25	7.48 (Old Regime) 0.58 (New Regime)	0.05	9.38
Total distributions since listing (₹ per unit)							**32.77**

Note: Rounded off up to two decimal

The detailed policy and the history of the distribution to the unitholders are also available on the website of the trust at www.highwaystrust.com.

Unit Price Performance and Distribution (Contd.)

Past performance of the Trust with respect to yield for the last 5 years

Given the Units are thinly/ nil trades, the Trust undertakes the calculation of yield in the following manner for reporting under Annual and Half Yearly Report:

Yield = (Total Distribution/ NAV) x 100

Where 'NAV' will reflect the most recent net asset value determined on the basis of full valuation of the assets of the Trust. Further, for yield calculation: (i) on half yearly basis, total distributions pertaining to April – Sep are taken into account (without being annualised); and (ii) on yearly basis, total distributions pertaining to April – March are taken into account.

Based on the above the yield for the Yield since the listing is as follows:

Reference Period	Yield
Yearly Yield for FY 2023	17.30%
Half-yearly Yield for FY 2024 (as of September 30, 2023)	3.76%
Yearly Yield for FY 2024	19.41%

Note: the Trust had not undertaken disclosure of the 'yield' in the previous half yearly and annual report given lack of clarity on the manner of calculation of yield in case of InvITs with thinly traded units. However, on account of advisory from SEBI, the Trust is presenting the calculations set out above. In the above presentation, it may be noted that for the half year ending September 2023, the latest available NAV as on March 31, 2023 has been used for calculating the yield in line with the formula set out above.

Legal Proceedings and Material Litigations

1. Brief details of material litigations and regulatory actions, which are pending, against the InvIT, sponsor(s), Investment Manager, Project Manager(s), or any of their associates , sponsor group(s) and the Trustee if any, as at the end of the year

1.1 Proceedings against the Trust

During the reporting period, there have been no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust.

1.2 Proceedings against the Investment Manager

For the purpose of disclosures under the current section, materiality threshold of 1.5% of total revenue of the Investment Manager (translating to ₹ 7.05 Mn being 1.5% of the total revenue of ₹ 470.14 Mn) has been considered for mandatory disclosure. Further, all other litigations which are otherwise considered material by the management, have been disclosed as well.

(a) There are no material litigations pending against the Investment Manager or its associates save as disclosed in connection with special purpose vehicles (**"SPVs"**) of the Trust.

(b) The Investment Manager has been in receipt of certain letters from Securities and Exchange Board of India (**"SEBI"**) in connection with thematic inspection undertaken in connection with calculation of net distributable cash flows. The Investment Manager has undertaken necessary steps as required by SEBI under such letter.

1.3 Proceedings against the Project Manager

There are no litigations pending against the Project Manager.

1.4 Proceedings against the SPVs

For the purpose of disclosures under the current section, materiality threshold of 1.5% of total revenue of the SPVs (translating to ₹ 211.92 Mn being 1.5% of the total revenue of ₹ 14,127.92 Mn) has been considered for mandatory disclosure. Further, all other litigations which are otherwise considered material by the management of the Investment Manager, have been disclosed as well.

The material litigation for the associates are as follows:

(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.

(ii) DBCPL received an assessment order under section 143(3) of the Income Tax Act 1965 in December 2019, together with a notice of demand of ₹ 103.08 Mn for the financial year 2016-17. The key grounds of the demand order are (i) Major Maintenance Expenses of ₹ 359.4 Mn claimed as deduction disallowed; and (ii) Disallowance of ₹ 0.82 Mn under section 14A of the Income Tax Act 1965 (Expenses incurred to earn exempt income). The company has filed an appeal with CIT(A) against the demand order, and the hearing of the same is awaited.

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 , 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 (**"Act"**) 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 ₹ 89.00 Mn. The High Court by its order dated February 11, 2010, dismissed the Stamp Act WP. Subsequently, the Petitioner filed a

Legal Proceedings and Material Litigations (Contd.)

Special Leave Petition before the Supreme Court of India challenging the High Court's order. The matter is currently pending before the Supreme Court and is reserved for orders.

(iii) DBCPL filed a writ petition before the High Court of Madhya Pradesh (**"BOCW WP"**) 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.

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

Proceedings by NBPL

NBPL has filed a writ petition (**"NBPL Stamp Duty WP"**) 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) Shillong Expressway Private Limited (**"SEPL"**)

Proceedings by SEPL

SEPL is involved in certain claims against the National Highway Authority of India (**"NHAI"**) whereby it was awarded ₹ 274.20 Mn (**"Award"**). SEPL filed an execution petition dated October 26, 2018 under Section 36 of the Arbitration & Conciliation Act 1996 before the High Court of Delhi. Simultaneously, NHAI filed an application before the High Court for setting aside the Award, which was dismissed by the Court by its order dated November 2, 2018. Thereafter, NHAI filed an appeal dated January 7, 2019 challenging the Court Order. The appellate bench by way of an interim order dated January 22, 2019 upheld the partial Award and directed NHAI to deposit the amount to additional bonus annuity i.e. ₹ 106.30 Mn with an additional interest amount of ₹ 37.20 Mn. The matter is currently pending.

Further, on October 03, 2023, SEPL has submitted its application for settlement under Vivad se Vishwas II Scheme announced by the Ministry of Finance by OM no. F.1/7/2022-PPD dated 29 May 2023 and NHAI Policy guidelines dated July 04, 2023. The proceeding is currently pending.

(d) Ulundurpet Expressways Private Limited (**"UEPL"**)

Proceedings by UEPL

UEPL has filed a petition dated December 2, 2022 before the NCLT, Mumbai for reduction in its paid-up equity share capital to ₹ 968,559,830 divided into 96,855,983 equity shares of ₹ 10 each. This matter was rejected by the Hon'ble NCLT and the UEPL has filed an appeal against it before the National Company Law Appellate Tribunal.

(e) 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.

Legal Proceedings and Material Litigations (Contd.)

(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 involved in these appeals are ₹ 2908.53 Mn.

(iv) There is a matter pending before Commissioner of Income Tax (Appeals) for AY 2017-18 against the decision of by income tax authorities of disallowing deduction under section 80-IA. The aggregate amounts involved in these appeals are ₹ 121.42 Mn.

(v) There is a matter pending before Commissioner of Income Tax (Appeals) for AY 2018-19 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.

(f) 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 since the GRICL has recovered the total cost of the project and reasonable return. 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. Further, GRICL has presented before the court, the legal and factual position to differentiate the concession and issued from those at NTBCL. The matter is currently pending before the High Court for filing of counter affidavit by the petitioner and other respondents.

(j) There are currently 19 matters pending before the High Court of Gujarat covering the following areas for AY 2002-03 to AY 2015-16: (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/s 115JB; and (iv) disallowance of carry forward of losses. The aggregate amounts involved in these appeals are ₹ 4,821.40 Mn.

(k) There are 4 matters pending before Income Tax Appellate Tribunal and 1 matter before Commissioner of Income Tax (Appeals) for AY 2012-13 to AY 2022-23 for the following areas: (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/s 115JB; and (iv) disallowance of carry forward of losses. The aggregate amounts involved in these appeals are ₹ 1,323.90 Mn.

(g) Rewari Ateli Highway Private Limited (**"RAHPL"**)

Proceedings by RAHPL

RAHPL has filed an application under Section 66 of Companies Act, 2013 for reduction of share capital. The matter is currently pending before National Company Law Tribunal, Mumbai.

Proceedings against RAHPL

RAHPL has received an assessment order on March 20, 2024, passed under section 143 (3) of the Income Tax Act 1965, together with a notice of demand passed under section 156 of the Income Tax Act 1965 of ₹ 54.92 Mn for the financial year

2021-22. The major grounds of the demand order are disallowance reduction of finance income of ₹ 206.05 Mn from its income. The company has recognised the said income in accordance with IND AS 109 whereas income for income tax computation is offered based on actual receipts. The company has filed an appeal with CIT(A) against the demand order, and the hearing of the same is awaited.

(h) Gurgaon Sohna Highway Private Limited (**"GSHPL"**)

Proceedings by RAHPL

GSHPL has filed an application under Section 66 of Companies Act, 2013 for reduction of share capital. The matter is currently pending before National Company Law Tribunal, Mumbai.

(i) Ateli Narnaul Highway Private Limited (**"ANHPL"**)

Proceedings by ANHPL

ANHPL has filed an application under Section 66 of Companies Act, 2013 for reduction of share capital. The matter is currently pending before National Company Law Tribunal, Mumbai.

1.5 Proceedings against the Sponsor and its associates

The disclosures with respect to material litigations and non-ordinary course regulatory actions relating to the Sponsor and its Associates and the Sponsor Group (other than the Highways Infrastructure Trust and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their Associates), have been made solely on the basis of the public disclosures made by KKR & Co. Inc. ("KKR & Co.") in the most recent annual report on Form 10-K filed with U.S. Securities and Exchange Commission on February 29, 2024 relating to the year ended December 31, 2023 with respect to all entities, which are consolidated for financial reporting purposes with KKR & Co., which is listed on the New York Stock Exchange. In accordance with applicable securities law and stock exchange rules, KKR & Co., is required to disclose material litigations through applicable securities filings and KKR & Co., and has made no public filings with the SEC after February 29, 2024 which materially changes the disclosures made in that regard in such annual report. The threshold for identifying material litigations in such disclosures is based, among other considerations, on management judgment and periodically reviewed thresholds applied by the independent auditor of KKR & Co., in expressing its opinion on the financial statements.

In accordance with the abovementioned, except as stated below, there are no pending material litigation and regulatory action, which are not in the ordinary course of business against the Sponsor solely on the basis described above.

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, requests for information, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory or other legal proceedings against them. Moreover, in the ordinary course of business, KKR is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

Kentucky Matter

In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers, Henry Kravis and George Roberts, were named as defendants in a lawsuit filed in Kentucky state court (the "2017 Action") alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. The 2017 Action was dismissed at the direction of the Supreme Court of Kentucky for lack of Kentucky constitutional standing. This dismissal became final on February 16, 2024.

On July 21, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a new lawsuit in the same Kentucky state court (the "2020 AG Action") making essentially the same allegations as those raised in the 2017 Action, including against what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts. On September 14, 2023, KKR & Co. Inc., Messrs. Kravis and Roberts and other defendants moved to dismiss the 2020 AG Action. Oral arguments on the motion to dismiss the 2020 AG Action are scheduled for February 29, 2024.

Legal Proceedings and Material Litigations (Contd.)

In January 2021, some of the attorneys for the plaintiffs in the 2017 Action filed a new lawsuit on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems (the "Tier 3 Plaintiffs"), alleging substantially the same allegations as in the 2017 Action. On July 9, 2021, the Tier 3 Plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organisations Act ("RICO"). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the 2020 AG Action. On August 20, 2021, the Tier 3 Plaintiffs and other individual plaintiffs filed a second complaint in Kentucky state court (the "Second Tier 3 Action"), purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts as in the July 9th amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the Second Tier 3 Action. On October 26, 2023, the trial court heard oral arguments on these motions to dismiss.

On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Prisma Capital Partners LP, the Kentucky state court concluded that it has personal jurisdiction over KKR & Co. Inc. in that action, and that the indemnification provisions violated the Kentucky Constitution and were therefore unenforceable. On December 01, 2023, the Kentucky Court of Appeals reversed the trial court's summary judgment on the issue of personal jurisdiction over KKR & Co. Inc., but affirmed the trial court's rulings that the indemnification provisions violated the Kentucky Constitution and were unenforceable. On February 05, 2024, the Kentucky Court of Appeals denied the petitions of KKR & Co. Inc. and others for rehearing. The deadline to file a motion with the Supreme Court of Kentucky for discretionary review of the Court of Appeals' December 01, 2023 decision is March 06, 2024.

KKR intends to continue to vigorously defend against these claims against KKR and Messrs. Kravis and Roberts.

Regulatory Matters

KKR currently is, and expects to continue to become from time to time, subject to various examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings, or the imposition of fines, penalties, or other remedies, against KKR and its personnel. KKR is subject to periodic examinations of its regulated businesses by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the Securities and Exchange Commission ("SEC"), Financial Industry Regulatory Authority ("FINRA"), the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. KKR may also become subject to inquiries or investigations (through a request for information, civil investigative demand, subpoena or otherwise) by any of the foregoing governmental and regulatory agencies as well as by any other U.S. or non-U.S. governmental or regulatory agency, including but not limited to the SEC, U.S. Department of Justice ("DOJ"), U.S. state attorney generals, and similar non-U.S. governmental or regulatory agencies. KKR is currently subject to investigations by the Antitrust Division of the DOJ related to antitrust matters, including civil investigative demands and a grand jury subpoena seeking information with respect to the accuracy and completeness of certain filings made by KKR pursuant to the premerger notification requirements under the Hart-Scott-Rodino Act of 1976 for certain transactions in 2021 and 2022. In addition, KKR is currently subject to an investigation by the Antitrust Division of the DOJ related to the restrictions on interlocking directorates under Section 8 of the Clayton Act. KKR is also currently subject to investigations by the SEC related to business-related electronic communications, including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Investment Advisers Act of 1940. KKR is currently cooperating with each of these named investigations.

Loss Contingencies

KKR establishes an accrued liability for legal or regulatory proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. KKR includes in its financial statements the amount of any reserve for

Legal Proceedings and Material Litigations (Contd.)

regulatory, litigation and related matters that Global Atlantic includes in its financial statements. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters also have the possibility of resulting in losses in excess of any amounts accrued. To the extent KKR can in any particular period estimate an aggregate range of reasonably possible losses, these decisions involve significant judgment given that it is inherently difficult to determine whether any loss for a matter is probable or even possible or to estimate the amount of any loss in many legal, governmental and regulatory matters.

Estimating an accrued liability or a reasonably possible loss involves significant judgment due to many uncertainties, including among others: (i) the proceeding may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved; (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties; or (vii) the proceeding relates to a regulatory examination, inquiry, or investigation. It is not possible to predict the ultimate outcome of all pending litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and proceedings, and some of the matters discussed above seek or may seek potentially large or indeterminate relief. Consequently, management is unable as of the date of filing of this report to estimate an amount or range of reasonably possible losses related to matters pending against KKR. In addition, any amounts accrued as loss contingencies or disclosed as reasonably possible losses may be, in part or in whole, subject to insurance or other payments such as contributions and indemnity, which may reduce any ultimate loss.

As of the date of filing this report, management does not believe, based on currently available information, that the outcomes of the matters pending against KKR will have a material adverse effect upon its financial statements. However, given the potentially large and/or indeterminate relief sought or that may be sought in certain of these matters and the inherent unpredictability of litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and proceedings, it is possible that an adverse outcome in certain matters could have a material adverse effect on KKR's financial results in any future period. In addition, there can be no assurance that material losses will not be incurred from claims that have not yet been asserted or those where potential losses have not yet been determined to be probable or possible and reasonably estimable.

1.6 Proceedings against the Trustee

We have been informed by the Trustee that as of March 31, 2024, the Trustee does not have any pending criminal matters or material civil/commercial litigation pending against it. For the purpose of pending material civil/ commercial litigation against the Trustee, matters involving amounts exceeding being 5% of the profit after tax of the Trustee for Financial Year 2023-24 have been considered material.

Related Party Transactions

1 Update on the details of all related party transactions during the year, value of which exceeds five percent of the value of the InvIT, if any :

Please refer note no. 34 of the Standalone Financial Statements and note no. 46 of Consolidated Financial Statements of the Trust for the March 31, 2024 which forms part of the Annual Report.

2 The details of all Related Party Transactions during the year, value of which exceeds five percent of value of InvIT (assets) :

A summary of the related party transactions exceeding 5% of total book value of assets is tabulated as under:

The details of all Related Party Transactions during the year, value of which exceeds five percent of value of InvIT (assets)

₹ Mn

Particulars	01 April 2023 to 31 March 2024 (Audited)
Galaxy Investment II Pte. Ltd	
Balance outstanding at the end of the year	
Unit capital	37,390
Nebula Asia Holdings II Pte. Ltd.	
Transaction during the year	
Issue of unit capital	14,900
Balance outstanding at the end of the year	
Unit capital	14,900

3 Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle (SPVs), in which, it has invested :

Balance outstanding as on March 31, 2024

₹ Mn

SPV	Secured	Unsecured	Total Loan	Type of Loan	
				Secured	Unsecured
UEPL	56.15	-	56.15	RTL	RTL
NBPL	675.93	272.79	948.72	RTL	RTL
GEPL	3,988.57	6,065.25	10,053.82	RTL	RTL & OCD
DBCPL	2,699.94	600.14	3,300.08	RTL	RTL
JPEPL	2,434.89	2,724.44	5,159.33	RTL	RTL
UTPL	5,233.39	3,236.01	8,469.41	RTL	RTL
GHSPL	2,480.13	-	2,480.13	RTL	RTL
ANHPL	3,113.82	283.32	3,397.14	RTL	RTL
RAHPL	1,890.05	190.20	2,080.25	RTL	RTL
SEPL	-	227.47	227.47	RTL	RTL
STPL	-	1,115.34	1,115.34	RTL	RTL
Total	**22,572.87**	**14,714.96**	**37,287.84**		

Credit Ratings and Investor Relations

The Trust has been rated **"AAA/Stable"** by CRISIL Ratings and India Ratings for its debt facilities and debt securities. The credit ratings along with rating rationale are available at the following links:

CRISIL Ratings: https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/HighwaysInfrastructureTrust_January%2024,%202024_RR_335680.html

India Ratings: https://www.indiaratings.co.in/pressrelease/68367

List of Rated facilities and securities

Nature of Instrument	Amount (₹ Mn)	CRISIL Ratings		India Ratings	
		Rating	Date of Rating	Rating	Date of Rating
Rupee Term Loan	26,800	AAA/Stable	January 24, 2024#	AAA/Stable	February 08, 2024
Non-Convertible Debentures	13,618*	AAA/Stable	January 24, 2024#	AAA/Stable*	February 08, 2024
Commercial Papers	2,750	A1+/Stable	January 24, 2024#	A1+/Stable	February 08, 2024
Bank Guarantee	750@	-	-	AAA/Stable	February 08, 2024

*includes proposed NCDs of ₹2,200 Mn. Provisional AAA for proposed NCDs of ₹2,200 Mn.
@undrawn as on date

#factors in announcement on January 15, 2024, by HIT to acquire 12 road special purpose vehicles (SPVs) owned by PNC Infratech Limited and PNC Infra Holdings Limited

Further, the Trust has received letters from CRISIL Ratings and India Ratings dated April 02, 2024 and April 01, 2024 respectively stating revalidation of ratings as per table above. The copy of these letters can be viewed on the following links:

CRISIL Ratings: https://highwaystrust.com/wp-content/uploads/2024/04/IntimationofCreditRatingofHITfinalsigned.pdf

India Ratings: https://highwaystrust.com/wp-content/uploads/2024/04/IntimationofCreditRatingofHITfinal.pdf

The rating rationale, as periodically reviewed by rating agencies, has been communicated to the stock exchanges (BSE and NSE) on an immediate basis and the same is also placed on the website of the Trust (www.highwaystrust.com)

Other Mandatory Disclosures

Update on development of under-construction projects, if any

All the project assets of the Trust and its SPVs are operational, hence, there is no reporting applicable under this head.

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

The Trust was formed on December 03, 2021 and was registered as an Infrastructure Investment Trust under the SEBI InvIT Regulations on December 23, 2021. In FY 22-23, 6 project SPVs were acquired from a related party. Hence the take over transaction was classified as 'Common control transaction' as per IndAS. In compliance with the same, revenue for FY 22-23 is reported for the full year instead of from the date of acquisition.

₹ Mn

SPV	FY24	FY23
UEPL	1,832	1,641
GEPL	1,607	1,435
JPEPL	692	670
DBCPL	2,265	1,892
SEPL	497	497
NBPL	476	476
UTPL	566	-
GRICL	372	-
STPL	682	-
ANHPL	442	-
GSHPL	294	-
RAHPL	227	-
Total	**9,952**	**6,611**

Note:

1. Revenue of assets acquired during the year is disclosed from the date of acquisition.
2. Revenue of GRICL is considered proportionate to the economic interest held by HIT in GRICL i.e. 56.8%

Details of issue and buyback of units during the year, if any

During the year under review, The Trust has further issued units in the following manner:

i) Issued 6,59,31,294 units on a rights basis for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 Mn, in accordance with (i) the letter of offer dated September 25, 2023 read with the addendum thereof, and (ii) the basis of allotment finalised in consultation with the Lead Manager (Axis Capital Limited), the Registrar to the rights issue (Link Intime India Private Limited) and the NSE. The issue for the rights issue opened on October 09, 2023 and closed on October 12, 2023. The issue process was completed on October 16, 2023 and the Trust received the listing approval in respect of the units issued on the rights basis from NSE on October 17, 2023.

ii) Issued 26,54,54,540 units on a preferential basis for cash at a price of ₹ 82.50 per unit for an aggregate amount of up to ₹ 21,900 Mn. The Trust received the listing approval in respect of the units issued on the preferential basis from NSE on January 20, 2024.

Total number of Units held by the Trust is 74,68,85,834 Units.

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

The details of the yield and distributions made since listing are set out in page no. 134-135.

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

The details of total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties are disclosed in note no. 23, 24, 34 and 40 of the standalone financial statements of the Trust for the financial year ended March 2024.

Brief details of material and price sensitive information

During the period, the Investment Manager, from time to time, has been providing price sensitive details of material and price sensitive information to the stock exchanges in relation to the Trust by the Investment Manager, in accordance with the provisions of the SEBI InvIT Regulations and other applicable laws. The submitted announcements in relation to material and price sensitive information can be viewed on the Trust's website at www.highwaystrust.com.

Material Information and Events - Except otherwise specified or disclosed to the exchanges from time to time, during the period under review, there were no material changes, events or material and price sensitive information to be disclosed for the Trust. The Trust has devised and maintained a Structured Digital Database (SDD) in compliance with Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015.

The policy on UPSI and dealing in units by the parties are available on the website of the Trust at: https://highwaystrust.com/pdf/policies/Policy%20on%20UPSI%20and%20Dealing%20in%20Units%20by%20the%20Parties.pdf

Other Mandatory Disclosures (Contd.)

Details of outstanding borrowings and deferred payments of InvIT including any credit rating, debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis.

Details of outstanding borrowings: The details of outstanding borrowings are disclosed in page no. 102-103 of the Annual Report.

The details of debt maturity profile: Please refer to note no. 32(B)(b) of Standalone and note no. 43(B)(b) of Consolidated Financial Statements.

Details of deferred payment: ₹ 578.09 Mn are payable to the seller by the Trust in respect of acquisition of (i) RAHPL - Rewari Ateli Highway Private Limited (formerly known as 'H.G Rewari Ateli Highway Private Limited), (ii) ANHPL - Ateli Narnaul Highway Private Limited (formerly known as 'H.G Ateli Narnaul Highway Private Limited'), (iii) GSHPL - Gurgaon Sohna Highway Private Limited subject to satisfaction of the terms/ milestones agreed and set out in the relevant acquisition agreement.

Details of Credit Rating: Please refer the section on Credit Rating page no. 143.

The details of Gearing Ratios: Please refer to note no. 37 of Standalone and note no. 44 of Consolidated Financial Statements.

Investor Complaints

In compliance with Regulation 23 of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, read with Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016, and SEBI/HO/DDHS/DDHS_Div3/P/CIR/2021/600 dated July 22, 2021 and pursuant to Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Statement of Investor Complaints for the Trust, issued by Link Intime India Private Limited, Registrar & Share Transfer Agent of the Trust, was submitted to the stock exchange on a quarterly basis and the can be viewed on the Trust's website at www.highwaystrust.com.

Table I Details of investor complaints received and redressed during the year ended March 31, 2024 are as follows:

Particulars	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the year.	0	0
Number of investor complaints received during the year	0	0
Number of investor complaints disposed off during the year	0	0
Number of investor complaints pending at the end of the year.	0	0
Average time taken for redressal of complaints	0	0

Table II For Quarter Ending (QE) 31-MAR-2023

Particulars	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the quarter.	0	0
Number of investor complaints received during the quarter	0	0
Number of investor complaints disposed off during the quarter	0	0
Number of investor complaints pending at the end of the quarter.	0	0
Average time taken for redressal of complaints	0	0

Table III For Complaints pending during Financial Year Ended (FYE) 31-MAR-2024

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Other Mandatory Disclosures (Contd.)

Table IV For Complaints pending during Quarter Ending (QE) 31-MAR-2024

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Table V For complaints disposed off during Financial Year Ended (FYE) 31-MAR-2023

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Table VI For complaints disposed off during Quarter Ending (QE) 31-MAR-2023

	Less than 1 month	1–3 Months	3-6 Months	6-9 Months	9-12 Months	Greater than 12 Months	Total
All complaints including SCORES complaints	0	0	0	0	0	0	0
SCORES complaints	0	0	0	0	0	0	0

Investor Relations Contacts

Ms. Kunjal Shah,
Company Secretary & Compliance Officer
ACS No. A27382
Unit No. 601-602, 6th floor, Windsor House, Off CST Road,
Kalina, Santacruz(E), Mumbai-400098, Maharashtra, India.
Phone: +91 7506333447
Email: kunjal.shah@highwayconcessions.com

Registrar and Transfer Agent:
Link Intime India Private Limited
247 Park C-101, 1st Floor, LBS Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra, India.
Contact person: Ajit Patankar
Phone: +91 22 4918 6000
Email: ajit.patankar@linkintime.co.in

Information of the contact person of the InvIT

Ms. Kunjal Shah, Company Secretary & Compliance Officer
ACS No. A27382
Unit No. 601-602, 6th floor, Windsor House, Off CST Road,
Kalina, Santacruz(E), Mumbai-400098, Maharashtra, India.
Phone: +91 7506333447
Email: kunjal.shah@highwayconcessions.com

Other Mandatory Disclosures (Contd.)

Listing details of all listed instruments of the Trust

Name and address of the stock exchange	Security Type (privately placed)	Issue Size (No of Units/Debentures)	Scrip Code/ Symbol	ISIN
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai-400051.	Units	74,68,85,834	HIGHWAYS	
Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001.	Non Convertible Debenture	4,000	Series I - 974228	INE0KXY07018
	Non Convertible Debenture	2,500	Series II - 974227	INE0KXY07026
	Non Convertible Debenture	50,000	Series III - 975333	INE0KXY07034
	Commercial Paper	5,500	725795	INE0KXY14014

Additional Debt Raised During FY 2024

A. Listed of Non-Convertible Debentures & Commercial Paper

During the period under review, the Board of Directors of Highway Concessions One Private Limited (acting as an Investment Manager of the Trust)

(i) on January 18, 2024, has approved the allotment 50,000 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities having a face value of ₹ 1,00,000/- (Rupees One Lakhs only) each, aggregating up to ₹ 5,00,00,00,000/- (Rupees Five Hundred Crores only) (the **"Series III Debt Securities"**) by way of private placement. Series III Debt Securities were listed with BSE Limited on the BSE Debt segment on January 19, 2024.

(ii) on October 31, 2023, has approved the allotment of 5,500 commercial papers having maturity of ₹ 5,00,000/- each and aggregate maturity value of ₹ 275,00,00,000/- at issue price of ₹ 465,295.50/- only each aggregating to ₹ 2,55,91,25,250/- by way of private placement. The Commercial Paper was on listed with BSE Limited on the BSE Debt segment on October 31, 2023.

B. Rupee Term Loan

During the period under review, the Trust availed a rupee term loan with a sanctioned facility of maximum amount of ₹ 19,000 Mn and has entered into a Rupee Term Loan Agreement dated October 30, 2023 (**"RTL Facility II"**). The Trust has drawn an amount of ₹ 14,248 Mn under the RTL Facility II.

Credit Ratings

Please refer the section on Credit Rating page no. 143.

Details of Intermediaries for Listed Instruments

Debenture Trustee of Debt Securities
Catalyst Trusteeship Limited
Address: 901, 9th Floor, Tower B, Peninsula Business, Park, Senapati Bapat Marg,
Lower Parel, Mumbai-400013, Maharashtra, India.
Phone N: 022-49220548
Website: www.catalysttrustee.com
Email: hussain.pittalwala@ctltrustee.com
Contact Person: Hussain Pittalwala

Registrar of the Trust for Units and Debt Securities:
Link Intime India Private Limited
Address: 247 Park, C-101Ist Floor, L B S Marg,
Vikhroli (West), Mumbai - 400083.
Phone No.: +91 22 4918 6000
Website: www.linkintime.co.in
Email: ajit.patankar@linkintime.co.in
Contact Person: Ajit Patankar

Other Mandatory Disclosures (Contd.)

Issuing and Paying Agent for Commercial Papers

ICICI Bank Limited,

Address: ICICI Bank Ltd ,ICICI Bank Towers,

Bandra Kurla Complex, Bandra (East),

Mumbai-400051, Maharashtra, India.

Website: www.icicibank.com

Email: anant.misra@icicibank.com

Contact Person: Anant Misra

Statement of deviation/ variation in use of Issue proceeds:

Initial Issue

At the time of undertaking the initial offer of units of the Trust (**"Initial Offer"**), it was estimated that the expenses for the issue (consisting of fee and commissions payable to the lead managers, fee payable to legal counsels, fee and commission payable to escrow collection bank, banks, registrar and other advisors or arrangers and all other incidental and miscellaneous expenses for undertaking the formation transactions and for listing the units on the Stock Exchange(s)) (**"Issue Expenses"**) will be upto ₹ 138.50 Mn. Accordingly, appropriate amounts were stated in the 'Use of Proceeds' section of the Placement Memorandum dated August 08, 2022 and Final Placement Memorandum dated August 22, 2022 (together the **"Placement Documents"**).

Whilst the Investment Manager (on behalf of the Trust) had made best efforts to utilise the issue proceeds as per the 'Use of Proceeds' set out in the Placement Documents, however, as on March 31, 2023, the Trust has an un-utilised sum of ₹ 26.88 Mn under the head of Issue Expenses on account of reduction in actual issue expenses incurred (**"Unutilised Issue Proceeds"**).

Accordingly, The Trust, though the Investment Manager, had sought approval from its unitholders (as of the cut-off date of June 09, 2023), through postal ballot notice dated June 12, 2023, for a change in the utilisation of the issue proceeds whereby Unutilised Issue Proceeds was proposed to meet the interest payment/principal repayment (including creation of Debt Service Reserve), for Non-Convertible Debentures issued /to be issued by the Trust or loans raised by the Trust, and in each case, top-up thereof. The voting period on the proposed resolution ended on 17:00 hours (IST) on July 03, 2023, and the results of the Postal Ballot was declared on July 04, 2023 indicating that requisite majority for the change was achieved.

As on March 31, 2024, ₹ 26.88 Mn was fully utilised for the purpose as mentioned above.

Right Issue

At the time of undertaking the Rights Issue, the Investment Manager had in good faith estimated that ₹ 3,495.00 Mn from the issue proceeds will be utilised for partial or full repayment of the outstanding debt of the Ateli Narnaul Highway Private Limited (earlier known as H.G. Ateli Narnaul Highway Private Limited) (**"Target SPV"**), including the debt availed by the Target SPV from certain external lenders and its current shareholders (**"Target SPV Debt Utilisation"**), and the same was disclosed in the Letter of Offer dated September 25, 2023 (**"LOF"**):

Whilst the Investment Manager (on behalf of the Trust) has made best efforts to utilise the issue proceeds as per the terms set out in the LOF, however, since the repayment of external debt of Target SPV was achieved in March, 2024, the sums required for repayment of the outstanding external debt of the Target SPV underwent a change, and accordingly, the Trust has an un-utilised sum of ₹ 97.86 Mn (**"Unutilised Rights Issue Proceeds"**) under the head of Target SPV Debt Utilisation. The Trust, though the Investment Manager, has sought approval from its unitholders (as of the cut-off date of May 10, 2024), through postal ballot notice dated May 17, 2024, for a change in the utilisation of the issue proceeds from the rights issue whereby Unutilised Rights Issue Proceed are proposed to be utilised for the interest payment/principal repayment (including creation of Debt Service Reserve and other reserves required under arrangement with lenders), for Non-Convertible Debentures issued /to be issued by the Trust or loans raised or to be raised by the Trust, and in each case, top-up thereof. The voting period on the proposed resolution ended on 17:00 hours (IST) on Monday, June 10, 2024, and the results of the Postal Ballot was declared on Tuesday, June 11, 2024 indicating that requisite majority for the change was achieved.

Secretarial Audit Report

For the year ended March 31, 2024

To,

Highways Infrastructure Trust

(Acting through its Investment Manager – Highway Concessions One Private Limited)

2nd Floor, Piramal Tower, Peninsula Corporate Park, Lower Parel, Mumbai - 400013

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Highways Infrastructure Trust** (hereinafter referred as "the InvIT"), acting through its Investment Manager – Highway Concessions One Private Limited) (hereinafter referred as "the investment manager"), (having its registered office at 2nd Floor, Piramal Tower, Peninsula Corporate Park, Lower Parel, Mumbai - 400013. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Investment Manager books, papers, minutes books and other records maintained by the Investment Manager and also the information provided by the Investment Manager, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the InvIT has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, MMJB & Associates LLP, Practicing Company Secretaries, have examined:

(a) all the documents and records made available to us and explanation provided by Highway Concessions One Private Limited.

(b) the filings/submissions made by the investment manager to the Stock Exchanges,

(c) website of the **Highways Infrastructure Trust** ("the InvIT"),

(d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2024 ('Review Period') in respect of compliance with the provisions of:

i. the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and

ii. the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014;

(b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(to the extent applicable to the InvIT);**

(c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines issued thereunder;

Based on above examination, we hereby report that, during the review period:

(a) The Investment Manager of the InvIT has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Nil			

(b) The investment manager of the InvIT has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the InvIT, parties to the InvIT, its promoters, directors either by SEBI or by Stock Exchanges *(including under the Standard Operating Procedures issued by SEBI through various circulars)* under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
Nil				

Secretarial Audit Report
For the year ended March 31, 2024 (Contd.)

(d) The investment manager of the InvIT has taken following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the Investment Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the InvIT
Nil				

For **MMJB & Associates LLP**
Company Secretaries

Sd/-
Bhavisha Jewani
Designated Partner
Membership No.: F8503
CP. No. 9346
PR. No. 2826/2022
UDIN: F008503F000380369

Date: May 16, 2024
Place: Mumbai

Independent Auditor's Report

To the Unitholders' of **Highways Infrastructure Trust**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Highways Infrastructure Trust ('the Trust'), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Unit Holders Equity for the year then ended, the Standalone Statement of Net Assets at Fair Value as at March 31, 2024, the Standalone Statement of Total Returns at Fair Value and the Standalone Statement of Net Distributable Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (hereinafter referred to as 'SEBI Master Circular') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in the Rule 2(1)(a) of the companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Trust as at March 31, 2024 and its loss (including other comprehensive income), its cash flows and the changes in unitholder's equity for the year ended on that date, the net assets at fair value as at March 31, 2024 the total returns at fair value and net distributable cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Contd.)

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
A. Impairment assessment of non-current investments in and loans given to subsidiaries Refer note 2(B)(g) for material accounting policy information and note 3,4,7,10 and note 25 of the standalone financial statements of the Trust for the year ended March 31, 2024. The Trust has aggregate investment (net) in equity instruments of subsidiaries of ₹ 52,632.69 Mn carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27'), investment in preference shares and optionally convertible debentures (OCDs) aggregating to ₹ 207.90 Mn and loans given to subsidiaries amounting to ₹ 37,897.98 Mn outstanding as at March 31, 2024 carried at amortised cost in accordance with IND AS 109, Financial Instruments ('Ind AS 109'). The Trust has assessed impairment of these investments and loans since recoverability of the investments and loans is significantly dependent upon valuations of the assets held and cash flow projections of these investee companies. The recoverable amount of the aforesaid investments in and loans given to subsidiaries has been determined by the management using discounted cash flow ('DCF') valuation method. The key assumptions underpinning management's assessment of the recoverable amounts includes but are not limited to projections of future cash flows, revenue growth rates, external market conditions and the discount rates, which involves estimation and significant management judgment. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the carrying value of such assets. Accordingly, considering the materiality, complexity and significance of judgement involved, impairment assessment of investments in and loans given to subsidiaries has been considered as a key audit matter for the current year audit.	**Our key procedures included, but were not limited to, the following:** a) Obtained an understanding of the Trust's policies and procedures to identify impairment indicators for investments and loans, and process for fair valuation of investments and loans; b) Evaluated the design and tested the operating effectiveness of key controls for identification of impairment indicators, and for fair valuation of investments and loans including controls around cash flow projections; c) Verified underlying supporting documents for all significant investments made and loans given during the year to ensure that the transaction have been accurately recorded in the standalone financial statements in accordance with Ind AS 27 and Ind AS 109, as applicable; d) Assessed the objectivity, experience and competency of the management's experts involved for performing required valuations to estimate the recoverable value of the investment in and loans given to subsidiaries; e) Involved auditor's expert to assess the appropriateness of the valuation methodology and assumptions used by management's expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); f) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); g) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; h) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; i) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and j) Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in relation to impairment of non-current investments in and loans given to subsidiaries in accordance with the requirement of the applicable accounting standard.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matters
B. Computation and disclosures in Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value ("the Statement") as per SEBI Regulations Refer the Statements disclosed in the accompanying standalone financial statements pursuant to SEBI Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions. Considering the importance of the disclosure required under the SEBI Regulations to the users of the standalone financial statements, significant management judgement involved in determining the fair value of the assets of the Trust, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	**Our procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI Master circulars, pursuant to which the Statements are prepared by the Investment Manager; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; c) Assessed the objectivity, experience and competency of the management's experts involved for performing required valuations to estimate the fair value; d) Involved auditor's expert to assess the appropriateness of the valuation methodology and assumptions used by management's expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Information other than the Financial Statements and Auditor's Report thereon

6. The Board of Directors of the Highway Concessions One Private Limited (The 'Investment Manager' of the Trust) are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified as above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Investment Manager and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Board of Directors of Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the matters with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, statement of cash flows, changes in unitholders' equity, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Master Circular. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors of Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors of Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with SAs issued by ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for

the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager of the Trust;
- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. Based on our audit, and as required by the SEBI Regulations, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) the Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust; and

    c) in our opinion, the aforesaid standalone financial statements comply with Ind AS.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 24507000BKDHOG9774

Place: New Delhi
Date: 16 May 2024

Standalone Balance Sheet

as at March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Financial assets			
Investments	3	52,665.68	36,159.46
Loans	4	35,685.92	11,450.25
Other financial assets	5	0.50	-
Non-current tax assets (net)	6	-	1.16
Total non-current assets		**88,352.10**	**47,610.87**
Current assets			
Financial assets			
Investments	7	174.91	292.52
Cash and cash equivalents	8	461.18	265.54
Bank balances other than cash and cash equivalents above	9	953.02	976.43
Loans	10	2,212.06	1,006.61
Other current assets	11	64.73	3.02
Total current assets		**3,865.90**	**2,544.12**
Total assets		**92,218.00**	**50,154.99**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	12	68,590.00	41,550.00
Other equity	13	(12,771.18)	(5,715.12)
Total equity		**55,818.82**	**35,834.88**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	32,460.75	14,024.18
Total non-current liabilities		**32,460.75**	**14,024.18**
Current liabilities			
Financial liabilities			
Borrowings	15	3,177.65	225.00
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	16	3.96	1.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	138.41	50.49
Other financial liabilities	17	584.11	2.49
Other current liabilities	18	26.09	16.41
Current tax liabilities (net)	19	8.21	-
Total current liabilities		**3,938.43**	**295.93**
Total liabilities		**36,399.18**	**14,320.11**
Total equity and liabilities		**92,218.00**	**50,154.99**
Summary of material accounting policy information	2B		

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Income and gains			
Revenue from operations			
Dividend income from subsidiaries		1,576.22	1,642.21
Interest income on loans from subsidiaries	20	3,487.69	1,581.93
Other income			
Interest on bank deposits		151.53	42.75
Others	21	8.46	-
Total income and gains		**5,223.90**	**3,266.89**
Expenses and losses			
Finance costs			
Interest on borrowings	22A	1,725.43	584.13
Other finance costs	22B	1.22	0.57
Valuation expenses		3.12	1.78
Audit fees	23	25.21	17.38
Insurance expense		1.82	-
Investment manager fees	40	74.64	24.87
Trustee fees		3.81	2.69
Rating fee		18.97	0.49
Legal and professional fees		368.54	129.33
Other expenses	24	19.75	16.33
Total expenses and losses		**2,242.51**	**777.57**
Profit before exceptional items and tax for the year		**2,981.39**	**2,489.32**
Exceptional items	25	4,964.79	2,044.59
(Loss)/profit before tax for the year		**(1,983.40)**	**444.73**
Tax expense			
Current tax	27	67.49	18.27
Deferred tax		-	-
Total tax expense		**67.49**	**18.27**
Net (loss)/profit for the year		**(2,050.89)**	**426.46**
Other comprehensive income		-	-
Total other comprehensive income for the year		**-**	**-**
Total comprehensive (loss)/income for the year		**(2,050.89)**	**426.46**
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	28	(4.10)	1.70
Diluted (₹)	28	(4.10)	1.70
Summary of material accounting policy information	2B		

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Standalone Statement of Cash Flows

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities		
(Loss)/ profit before tax	**(1,983.40)**	**444.73**
Adjustments for:		
Interest on compulsory convertible debentures ("CCD's")	-	(357.06)
Interest on rupee term loan ("RTL")	(2,742.37)	(923.98)
Interest on optionally convertible debenture ("OCD's")	(745.32)	(300.89)
Dividend income from subsidiaries	(1,576.22)	(1,642.21)
Exceptional items (refer note 25)	4,964.79	2,044.59
Interest income on bank deposits	(151.53)	(42.75)
Gain on sale of investments	(5.90)	-
Reversal of provision for expenses	(2.56)	-
Loss on reduction of investment in equity	8.44	14.22
Finance costs	1,726.65	584.70
Operating loss before working capital changes and other adjustments	**(507.42)**	**(178.64)**
Working capital changes and other adjustments:		
Financial and other assets		
Other current assets	(61.71)	(3.02)
Trade payables	90.48	52.05
Other financial liabilities	-	2.49
Other financial assets	(0.50)	-
Other current liabilities	9.66	16.41
Cash used in operating activities post working capital changes	**(469.49)**	**(110.71)**
Income tax paid (net)	(58.12)	(19.43)
Net cash used in operating activities (A)	**(527.61)**	**(130.14)**
B. Cash flows from investing activities		
Loan given to subsidiaries	(26,677.30)	(13,606.74)
Investment in CCD's of subsidiaries	-	(3,060.00)
Investment in equity shares of subsidiaries	(29,134.86)	-
Proceeds from loan given to subsidiaries	3,019.22	1,773.52
Proceeds from redemption of OCD's of subsidiaries	6,853.70	1,091.93
Proceeds from redemption of bank deposits	-	(976.43)
Investment in bank deposits	70.51	-
Investment in preference shares of subsidiary	-	(545.10)
Redemption of preference shares	97.64	272.55
Interest received on OCD's and CCD's	981.70	1,177.64
Dividend received from subsidiaries	1,576.22	1,642.21
Interest received on RTL	2,122.75	900.47
Interest received on bank deposits	104.43	42.75
Gain on sale of investments	5.90	-
Net cash used in investing activities (B)	**(40,980.09)**	**(11,287.21)**

Standalone Statement of Cash Flows for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C	**Cash flows from financing activities**		
	Proceeds from issuance of units (refer note 12 (vi) and (vii))	27,040.00	4,160.00
	Proceeds from borrowings	21,818.05	14,469.03
	Repayment of borrowings	(377.66)	(112.50)
	Processing fees	(158.74)	(118.89)
	Unit issue expenses	(51.65)	(111.58)
	Distribution made to unit-holders	(4,953.52)	(6,030.00)
	Interest paid on term loan and non convertible debentures	(1,613.14)	(573.17)
	Net cash flow from financing activities (C)	**41,703.34**	**11,682.89**
D	**Net increase in cash and cash equivalent (A+B+C)**	195.64	265.54
E	**Cash and cash equivalent at the beginning of the year**	265.54	-
	Cash and cash equivalent at the end of the year (D+E) (refer note 8)	**461.18**	**265.54**

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Standalone Statement of Changes in Unit Holders' equity

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

A Unit capital*

Particulars	Number of units	Amount
Balance as at April 01, 2022	**-**	**-**
Changes in unit capital	415,500,000	41,550.00
Balance as at March 31, 2023	**415,500,000**	**41,550.00**
Changes in unit capital^	331,385,834	27,040.00
Balance as at March 31, 2024	**746,885,834**	**68,590.00**

^(refer note 12 (vi) and (vii))

B Other equity**

Particulars	Number of units	Amount
Balance as at April 01, 2022	**-**	**-**
Net profit for the year	426.46	426.46
Other comprehensive income	-	-
Total comprehensive income for the year	**426.46**	**426.46**
Less: Distribution to unit holders^	(6,030.00)	(6,030.00)
Less: Formation and issue expenses^^	(111.58)	(111.58)
Balance as at March 31, 2023	**(5,715.12)**	**(5,715.12)**
Net loss for the year	(2,050.89)	(2,050.89)
Other comprehensive income	-	-
Total comprehensive income for the year	**(2,050.89)**	**(2,050.89)**
Less: Distribution to unit holders^	(4,953.52)	(4,953.52)
Less: Unit issue expenses#	(51.65)	(51.65)
Balance as at March 31, 2024	**(12,771.18)**	**(12,771.18)**

^Pertains to the distributions made during the financial year along with the distribution related to the last quarter of 2022-23 and does not include the distribution relating to the last quarter of 2023-24 which will be paid after March 31, 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (SEBI Regulations) and includes interest, dividend and repayment of capital.

^^Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust.

Unit issue expenses are expenses incurred in relation to the right Issue and preference units of the Trust.

* refer note 12

** refer note 13

The accompanying notes form an integral part of the Standalone Financial Statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Standalone Statement of Net Assets at Fair Value and Total Return at Fair Value

as at March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

A. Consolidated Statement of net assets at fair value

Particulars	As at March 31, 2024		As at March 31, 2023#	
	Book value	Fair value^	Book value	Fair value^
A. Assets	92,218.00	100,107.11	50,154.99	53,258.18
B. Liabilities (at book value)	36,399.18	36,399.18	14,320.11	14,320.11
C. Net assets (A-B)	55,818.82	63,707.93	35,834.88	38,938.07
D. No of units (in Mn)	746.89	746.89	415.50	415.50
E. NAV (C/D)	74.74	85.30	86.25	93.71

^Fair values of total assets relating to the Trust as at March 31, 2024 and March 31, 2023 as disclosed above are primarily based on the fair valuation with adjustments and grouping undertaken in accordance with IndAS and audited by the statutory auditors of the Trust.

Notes:

Project wise breakup of fair value of assets

Particulars	Fair value as at March 31, 2024*	Fair value as at March 31, 2023*
Highways Infrastructure Trust ("Trust")	38,625.06	20,891.50
Dewas Bhopal Corridor Private Limited ("DBCPL")	13,676.88	12,412.55
Nirmal BOT Private Limited ("NBPL") (formerly known as 'Nirmal BOT Limited')	126.07	113.60
Jodhpur Pali Expressway Private Limited ("JPEPL")	-	2,474.12
Godhra Expressways Private Limited ("GEPL")	12,439.36	14,051.90
Ulundurpet Expressways Private Limited ("UEPL")	3,507.26	3,109.16
Shillong Expressway Private Limited ("SEPL")	105.03	205.35
Udupi Tollway Private Limited ("UTPL") (formerly known as 'Navyuga Udupi Tollway Private Limited') w.e.f. November 02, 2023	377.51	-
Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as 'HG Ateli Narnaul Highway Private Limited') w.e.f. November 22, 2023	1,815.68	-
Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as 'HG Rewari Ateli Highway Private Limited') w.e.f. November 22, 2023	550.97	-
Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f. November 22, 2023	713.84	-
Gujarat Road and Infrastructure Company Limited ("GRICL") w.e.f. January 24, 2024	9,096.20	-
Swarna Tollway Private Limited ("STPL") w.e.f. January 24, 2024	19,073.25	-
Total fair value	**100,107.11**	**53,258.18**

*Fair value of total assets as disclosed above are the fair value of total assets of the Trust which are included in the audited standalone financial statements.

Standalone Statement of Net Assets at Fair Value and Total Return at Fair Value as at March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

B. Standalone Statement of Total Return at Fair Value:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total comprehensive income for the year (As per the Standalone Statement of Profit and Loss)	(2,050.89)	426.46
Add: Other changes in fair value for the year*	46,848.93	3,103.19
Total return	**44,798.04**	**3,529.65**

*In the above statement, other changes in fair value for the year ended March 31, 2024 for all the SPVs has been computed based on the difference in fair value of total assets as at March 31, 2024 and March 31, 2023 which is primarily based on the valuation report of the independent valuer appointed under SEBI (Infrastructure Investments Trust) Regulation, 2014

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Net Assets at Fair Value and Standalone Statement of Total Return at Fair Value referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Standalone Statement of Net Distributable Cash Flows

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Net Distributable Cash Flows of the Project Entities**		
	a) in the form of interest/accrued interest/additional interest	2,780.49	2,078.10
	b) in the form of dividend	8,456.67	1,893.32
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	2,409.40	3,264.77
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	75.74	294.45
2	Cash flows from additional borrowings (including debentures/other securities), fresh issuance of units, etc.	48,858.06	18,629.03
3	Any other income accruing at the Highways Infrastrcuture Trust ('Trust') and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest/return on surplus cash invested by the Trust.	110.34	42.75
	Total cash inflow at the Trust level (A)	**62,690.70**	**26,202.42**
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(2,218.39)	(889.75)
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(74.64)	(116.10)
6	Income tax (if applicable) for standalone Trust and/or payment of other statutory dues	(58.12)	(18.27)
7	Repayment of third-party debt (principal)/redeemable preference shares/ debentures, etc., net of any debt raised by refinancing of existing debt	(377.66)	(112.50)
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(42.88)	(976.43)
9	Amount invested in any of the Project SPVs for service of debt or interest	(19,723.21)	(17,211.84)
10	Investment including acquistion of other project SPVs	(29,134.86)	-
11	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future	-	(146.33)
	Total adjustments at the Trust level (B)	**(51,629.76)**	**(19,471.22)**
	Amount released/(retained) by the Trust (C)	196.58	-
	Net distributable cash flows (D)=(A+B+C)	**11,257.52**	**6,731.20**

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Statement of Net Distributable Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Summary of material accounting policy information and other explanatory information

for the year ended March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

Further during the current year ended March 31, 2024, persuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated December 06, 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from April 01, 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities of the Trust	**(527.61)**	**(130.14)**
Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	13,722.29	7,530.63
Add: Treasury income/income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	110.34	42.75
Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,823.54)	(692.06)
Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units)	(377.66)	(112.50)
Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(42.88)	339.93
Net distributable Cash Flows at Trust Level	**11,060.94**	**6,978.61**
Amount released/(retained) by the Trust level	196.58	(247.41)
Amount distributed to unitholders	**11,257.52**	**6,731.20**

Notes:

1. Out of the Initial issuance of ₹ 4,160 Mn in August 2022, ₹ 415.85 Mn and ₹ 138.50 Mn was for General Corproate purpose ('GCP') and issuance expenses respectievely. Unit Capital received for GCP was utilised towards debt servicing (interest and debt repayment) and other miscelleanous expenses. However, while computation of NDCF, these expenses were considerd at actual cost incurred (expenses/cash outflow shown at gross level and not adjusted to the extent of GCP fund received) and ₹ 415.85 Mn of GCP amount were added into reserves created, resulting in nil impact on NDCF.

   Further, out of funds received for Issue expenses amounting to ₹ 138.50 Mn, ₹ 111.58 Mn was incurred, however same was not included in finance cost in profit and loss statement as it was a capital expenditure and thus adjusted against other equity.

2. As at March 31, 2023, fixed deposits for Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA) as per facility agreement was ₹ 926.13 Mn. This has shown as reserves created in NDCF working for financial year ended March 31, 2023 as per prevailing NDCF methodology and further, borrowing from lenders for MMRA and DSRA was shown as borrowing in NDCF. However, as per the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. April 01, 2024 and has been disclosued above as additional information), this reserves will not be routed through NDCF for financial year ended March 31, 2023. Total MMRA and DSRA reserves amouting to ₹ 926.13 Mn forms part of closing fixed deposit balance as on March 31, 2023 and was kept seperately in fixed deposits with bank.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

3. During the financial year ended March 31, 2023, fixed deposits of ₹ 50.30 Mn was created for Bank guarantee ('BG') from internal accruals. Hence, this amount was reduced while computation of NDCF. However, this will be available for distribution once this BG will be withdrawn.
4. Reserves of ₹ 50.30 Mn created for bank guarantee (as mentioned in point 3) as at March 31, 2023, was released during the current year ended March 31, 2024 and was utilised for NDCF for the current financial year ended March 31, 2024. Total reserves relased for the financial year ended March 31, 2024 is ₹ 196.63 Mn. (reserves created as on March 31, 2023 amounting to ₹ 146.33 including releasae of bank guarantee amounting to ₹ 50.30 Mn).
5. During the financial year ended March 31, 2024, additional deposit into DSRA from internal accrual is ₹ 42.88 Mn. This was captured under reserves created and resulted in lower NDCF.
6. During the financial year ended March 31, 2024, Trust has funded ₹ 312.50 Mn, ₹ 400.66 Mn, ₹ 245.79 Mn and ₹ 520.00 Mn to UEPL, SEPL, NBPL and STPL respectively for Major Maintenance (MM) expense purpose. This was provided by external lender to Highways Infrastructure Trust ('Trust') for Major Maintenance purpose. Under the NDCF framework adopted by Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF at SPV level and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the revised NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. April 01, 2024 and has been disclosued above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows at SPV level. Accordingly, to ensure such reduction is reflected, ₹ 599.79 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. April 01, 2024).
7. As on date of acquisition of UTPL on November 01, 2023, the outstanding creditor pertaining MM which is payable to erstwhile shareholder, amounted to ₹ 235.37 Mn. This was more than unrestricted cash and bank balance (including investment) of ₹ 55.57 Mn available as on the same date. Hence, UTPL borrowed fund from Trust to payoff opening creditors (this transaction took place on November 02, 2023, after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be reduced by ₹ 458.54 Mn. Accordingly, to ensure such reduction is reflected, ₹ 458.54 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. April 01, 2024).

Summary of material accounting policy information and other explanatory information

for the year ended March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

1. Trust Information

The Trust is an irrevocable trust settled by Galaxy Investments II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulation 2014 as amended from time to time ("SEBI Regulations") and Trust got it units listed on National Stock Exchange of India ("NSE") w.e.f. August 25, 2022. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager Private Limited till November 22, 2023 and with effect from November 23, 2023 the same is Highway Concessions One Private Limited (the "Investment Manager"),

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/ subsidiaries").

The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at March 31, 2024	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	22 August 2022	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	22 August 2022	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	22 August 2022	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	22 August 2022	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	22 August 2022	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)	100%	22 August 2022	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)
Udupi Tollway Private Limited ('UTPL') formerly known as Navayuga Udupi Tollway Private Limited)	100%	01 November 2023	04 December 2009	Karnataka	30 January 2017	National Highways Authority of India (NHAI)

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Name of Project SPV	Extent of Control as at March 31, 2024	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited)	100%	21 November 2023	08 April 2019	Haryana	15 November 2021	National Highways Authority of India (NHAI)
Gurgaon Sohna Highway Private Limited ('GSHPL')	100%	21 November 2023	06 April 2018	Haryana	25 February 2022	National Highways Authority of India (NHAI)
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited)	100%	21 November 2023	04 April 2019	Haryana	11 March 2022	National Highways Authority of India (NHAI)
Swarna Tollway Private Limited ('STPL')	100%	24 January 2024	11 May 2001	Andhra Pradesh	21 May 2004 and 12 September 2004	National Highways Authority of India (NHAI)
Gujarat Road And Infrastructure Company Limited ('GRICL')	56.8%	24 January 2024	02 June 1999	Gujarat	24 October 2000 and 20 February 2003	Government of Gujarat (GOG)

The address of the registered office of the Investment Manager is 601/602 6th floor Windsor House, off CST Road, Kalina, Santacruz (East), Mumbai 400098. The standalone financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on May 16, 2024.

2. (A) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2024.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Trust has applied for the first-time these amendments.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Trust's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Trust's standalone financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

The Trust doesn't have any leases, hence no deferred tax on leases was recognized previously by the Trust in the standalone financial statements.

The amendments had no impact on these standalone financial statements.

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these standalone financial statements.

2B. Summary of material accounting policy information

a. Overall consideration

The standalone financial statements have been prepared using the material accounting policy information and measurement bases summarized below. These were used throughout all periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements of the Trust have been prepared in accordance with the Indian Accounting Standards as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("SEBI Regulations") including SEBI master circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 (hereinafter referred to as 'SEBI Master Circular"). The Trust has uniformly applied the accounting policies during the periods presented.

The Standalone financial statements are presented in India Rupees which is also the functional currency of the Trust and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The standalone financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager') on May 16, 2024. The revision to the financial statements is permitted by the Board of Directors of the Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities.

b. Use of estimates and judgements

The preparation of standalone financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the standalone financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

i. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

ii. Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

iii. Recoverability of loans/ receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

iv. Impairment of investments, loans, optionally convertible debentures and preference shares

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments, loans, optionally convertible debentures and preference shares are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

v. Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Trust engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of investments are disclosed in the notes to standalone financial statements.

vi. Fair valuation and disclosures

SEBI Master Circular issued under the SEBI Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Weighted average cost of capital ('WACC'), tax rates, inflation rates etc. Changes in assumptions about these factors could affect the fair value.

vii. Income taxes

The Trust's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

viii. Contingent liabilities

The Trust is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Trust often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Trust accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

c. Basis of classification as current and non-current

The Trust presents assets and liabilities in the Standalone balance sheet based on current/non-current classification.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Trust's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized:

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividend Income

Income from dividend is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

e. Provisions and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

f. Investments in subsidiaries

The Trust accounts for its investments in equity share capital of subsidiaries at cost less accumulated impairment losses, if any in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27') and investment in preference shares optionally convertible debentures (OCD's) at amortized cost in accordance with Ind AS 109 "Financial Instruments".

g. Financial Instruments

Initial recognition and measurement

Financial instruments are recognised when the Trust becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Trust has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h. Fair value measurement

The Trust measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer note 31 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as investments, where required. Involvement of external valuers is decided by the Trust on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Trust after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Trust analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the Trust verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 31)
- Financial instruments (including those carried at amortized cost) (note 32).

i. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Trust applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Trust in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Trust is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

j. Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortisation of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

k. Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

l. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m. Net Distributable cash flows to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

n. Statements of net assets at fair value

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and fair values of the total liabilities of individual SPV's. The fair value of the assets is reviewed by the management, derived based on the fair valuation reports issued by the independent valuer appointed under the SEBI (Infrastructure Investments Trust) Regulation, 2014 (InvIT regulations). The independent valuers are leading valuers with a recognized and relevant professional qualification as per InvIT regulations and valuation assumptions used are reviewed by the management at each balance sheet date.

o. Statement of total returns at fair value

The disclosure of total returns at fair value comprises of the Total Comprehensive Income as per the Statement of Profit and Loss. Other changes in fair value are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT regulations.

p. Unit holders equity and distribution

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' equity contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' equity could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Master Circular (SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 as amended) issued under the SEBI Regulations, the unitholders' equity have been classified as equity in order to comply with the mandatory requirements of SEBI Master Circular dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

q. Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

3. Non-current investments

	As at March 31, 2024	As at March 31, 2023
Investment in equity instruments (unquoted, at cost)^		
Investment in related parties (refer note 34)		
264,552,365 (March 31, 2023: 264,552,365) equity shares of UEPL of face value ₹ 10/- each	3,004.95	3,004.95
31,500,000 (March 31, 2023: 31,500,000) equity shares of NBPL of face value ₹ 10/- each	354.41	354.41
20,155,033 (March 31, 2023: 23,380,840) equity shares of GEPL of face value ₹ 10/- each*	9,626.39	11,167.09
95,263 (March 31, 2023: 95,263) equity shares of DBCPL of face value ₹ 10/- each**	12,355.00	12,355.00
500,000 (March 31, 2023: 500,000) equity shares of SEPL of face value ₹ 10/- each	356.27	356.27
61,640 (March 31, 2023: 61,640) equity shares of JPEPL of face value ₹ 10/- each	3,863.25	3,863.25
3,701,334 (March 31, 2023: Nil) equity shares of UTPL of face value ₹ 10/- each	196.05	-
66,030,000 (March 31, 2023: Nil) equity shares of GSHPL of face value ₹ 10/- each #	844.46	-
95,211,000 (March 31, 2023: Nil) equity shares of ANHPL of face value ₹ 10/- each #	1,511.49	-
38,225,000 (March 31, 2023: Nil) equity shares of RAHPL of face value ₹ 10/- each #	757.83	-
269,999,999 (March 31, 2023: Nil) equity shares of STPL of face value ₹ 10/- each	20,745.90	-
31,500,955 (March 31, 2023: Nil) equity shares of GRICL of face value ₹ 10/- each	5,657.22	-
Investment in Optionally Convertible Debentures unquoted, at cost ##		
Investment in related parties (refer note 34)		
50,941,358 (March 31, 2023: 50,941,358 of face value ₹ 88.97/-) OCD's of GEPL of face value ₹ 0.6356/- each ###	32.99	4,586.36
Nil (March 31, 2023: 23,338,315) OCD's of JPEPL of face value ₹ 100/- each	-	2,516.72
	59,306.21	**38,204.05**
Less: Impairment of non-current investments	6,640.53	2,044.59
	52,665.68	**36,159.46**
Aggregate amount of unquoted investments	**52,665.68**	**36,159.46**
Aggregate amount of impairment in the value of investments	**6,640.53**	**2,044.59**

^Investments in subsidiaries are stated at cost using the exemption provided as per Ind AS 27 'Separate Financial Statements'.

* During the current year ended March 31, 2024, The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of GEPL on June 12, 2023. As per the NCLT order, the paid-up equity share capital of GEPL will be reduced from 23,380,840 equity shares of ₹ 10/- each to 20,155,033 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of GEPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognised in the statement of profit or loss of the standalone financial statement of the Trust.

** During the previous year ended March 31, 2023, NCLT has approved the capital reduction scheme of DBCPL on February 23, 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹ 10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognised in the statement of profit or loss of the standalone financial statement of the Trust.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Subsequent to the year ended March 31, 2024, three of the project SPV's Viz. ANHPL, RAHPL and GSHPL has filed the petition with the Hon'ble NCLT, Mumbai Bench for capital reduction under Section 66 and other provisions of the Companies Act, 2013 on April 08, 2024. (refer note 52)

These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

Includes interest accrued amounting to ₹ 0.74 Mn in GEPL.

Notes:

(i) For assets pledged as security, (refer note 26)

(ii) During the previous financial year ended March 31, 2023, the compulsory convertible debentures (CCD) has been converted into optional convertible debentures (OCD) having a term of 30 years from the original date of issue. The outstanding OCD shall earn coupon at the rates of 14% p.a. payable annually or as may be mutually agreed between holder and issuer. Further, during the current year OCDs of GEPL (partialy) and JPEPL (fully) were redeemed.

4. Non-current loans

	As at March 31, 2024	As at March 31, 2023
Loans receivables considered good - Secured		
Loan to related parties (refer note 34)		
UEPL	-	521.86
NBPL	599.08	915.08
GEPL	3,983.65	4,037.42
DBCPL	2,460.94	2,440.94
JPEPL	2,430.05	2,514.81
UTPL	5,074.31	-
GHSPL	2,169.60	-
ANHPL	2,519.12	-
RAHPL	1,767.20	-
Loans receivables considered good - Unsecured		
Loan to related parties (refer note 34)		
JPEPL	3,093.29	350.00
UEPL	-	70.00
DBCPL (persuant to capital reduction schement approved by NCLT- refer note (iii) below)	600.14	600.14
GEPL	4,500.00	-
GEPL (persuant to capital reduction schement approved by NCLT - refer note (iv) below)	1,532.26	-
SEPL	227.47	-
NBPL	272.79	-
UTPL	3,236.01	-
ANHPL	283.32	-
RAHPL	190.20	-
STPL	1,115.34	-
Total	**36,054.77**	**11,450.25**
Less: Impairment of loan given (refer note 25)	368.85	-
	35,685.92	**11,450.25**

Notes:

(i) Refer Note 31 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 32 - Financial risk management for assessment of expected credit losses)

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(ii) For assets pledged as security, refer note 26

(iii) NCLT has approved the capital reduction scheme of DBCPL on February 23, 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹ 10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognised in the statement of profit or loss of the standalone financial statememt of the Trust.

(iv) During the current year ended March 31, 2024, NCLT has approved the capital reduction scheme of GEPL on June 12, 2023. As per the NCLT order, the paid-up equity share capital of GEPL will be reduced from 23,380,840 equity shares of ₹ 10/- each to 20,155,033 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of GEPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statetments of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognised in the statement of profit or loss of the standalone financial statement of the Trust.

5. Other non current financial assets

	As at March 31, 2024	As at March 31, 2023
Other deposit	0.50	-
	0.50	**-**

6. Non-current tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provisions)	-	1.16
	-	**1.16**

7. Investments - Current

	As at March 31, 2024	As at March 31, 2023
Investment in preference shares unquoted, at cost^		
Preference shares of SEPL	174.91	272.55
Investment in Optionally Convertible Debentures (OCD's), at cost^		
Nil (March 31, 2023 : 2,190,493 OCD's of UEPL of face value ₹ 4.56/-)	-	9.99
Nil (March 31, 2023: 3,311,246 OCD's of NBPL of face value ₹ 3.02/-)	-	9.98
	174.91	**292.52**

^These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

8. Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- in current accounts	1.97	2.09
- deposits with original maturity less than three months*	459.21	263.45
	461.18	**265.54**

* Includes interest accrued but not due

Notes:

(i) For assets pledged as security, refer note 26

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

9. Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity more than three months but less than twelve months*#	953.02	976.43
	953.02	**976.43**

* Includes interest accrued but not due

Includes deposits pledged against debt service reserve account (DSRA).

Notes:

(i) For assets pledged as security, refer note 26

(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the reporting year and the comparative year.

10. Loans - current

	As at March 31, 2024	As at March 31, 2023
Loans receivables considered good - secured		
Loan to related parties (refer note 34)		
UEPL	56.84	648.32
NBPL	80.12	54.71
GEPL	185.44	18.53
DBCPL	239.00	262.71
JPEPL	216.30	22.34
UTPL	399.37	-
ANHPL	600.66	-
RAHPL	122.85	-
GSHPL	311.48	-
Total	**2,212.06**	**1,006.61**

(i) For assets pledged as security, refer note 26

(ii) The carrying values are considered to be a reasonable approximation of fair value.

(iii) Includes interest accrued but not due

11. Other current assets

	As at March 31, 2024	As at March 31, 2023
Advance to others	0.03	-
Prepaid expenses	64.70	3.02
	64.73	**3.02**

12. Equity

		As at March 31, 2024	As at March 31, 2023
a)	**Unit capital**		
	415,500,000 units (March 31, 2023 : 415,500,000 units) of ₹ 100 each	41,550.00	41,550.00
	65,931,294 units (March 31, 2023 : Nil) of ₹ 65.93 each	5,140.00	-
	265,454,540 units (March 31, 2023 : Nil) of ₹ 82.50 each	21,900.00	-
		68,590.00	**41,550.00**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(i) Terms/rights attached to unit capital:

Subject to the provisions of the SEBI Regulations, the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ('the Trust').

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders

e) Right to receive periodic information-the Investment Manager, on behalf of the Highways Infrastructure Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the InvIT Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI.

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

g) the Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholders.

h) no unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations

i) In terms of the InvIT Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders:

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (hereinafter referred as the Trust assets) (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

(ii) Reconciliation of units outstanding at the beginning and at the end of the year:

Particulars	March 31, 2024		March 31, 2023	
	No. of units	(₹ in Mn)	No. of units	(₹ in Mn)
Unit capital of ₹ 100 each fully paid up				
Balance at the beginning of the year	415,500,000	41,550.00	-	-
Add: Units issued during the year:				
- Issuance of units by way of private placement at ₹ 100 (refer note (v) below)	-	-	415,500,000	41,550.00
- Issuance of units by way of right issue at ₹ 77.96 (refer note (vi) below)	65,931,294	5,140.00	-	-
- Issuance of units by way of preferential allotment at ₹ 82.50 (refer note (vii) below)	265,454,540	21,900.00	-	-
Balance at the end of the year	**746,885,834**	**68,590.00**	**415,500,000**	**41,550.00**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date:

Particulars	March 31, 2024		March 31, 2023	
	No. of units	% holding	No. of units	% holding
Galaxy Investments II Pte. Ltd.	373,900,000	50.06%	373,900,000	89.99%
2452991 Ontario Limited	148,341,698	19.86%	31,200,000	7.51%
Nebula Asia Holdings II Pte. Ltd.	180,606,060	24.18%	-	0.00%
Total	**702,847,758**	**94.10%**	**405,100,000**	**97.50%**

(iv) There were no units issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back since the date of incorporation.

(v) During the previous year ended March 31, 2023, the Trust has issued 415,500,000 units on August 22, 2022 persuant to final placement memorandum filled with the Securities and exchange board of india (SEBI) dated August 22, 2022 at at issue price of ₹ 100 each.

(vi) During the current financial year ended March 31, 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on July 06, 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150.00 Mn ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:

(a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV")

(b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and

(c) for general purposes.

Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on July 07, 2023, and letter of offer filed with NSE on September 25, 2023 in accordance with applicable law. Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on October 13, 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 Mn, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated October 16, 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f October 17, 2023.

The Trust has paid issue management fees of ₹ 17.70 Mn to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended March 31, 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated September 25, 2023 for rights issue filed with the NSE.

(vii) During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900.00 Mn on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated July 06, 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on January 20, 2024. The proceeds of ₹ 21,900 Mn have been utilised for payment of purchase consideration of STPL and GRICL.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

13. Other equity

	As at March 31, 2024	As at March 31, 2023
Retained earnings	(12,771.18)	(5,715.12)
	(12,771.18)	**(5,715.12)**

Description of nature and purpose of each reserve:

Retained earnings

Retained earnings are created from the profit/(loss) of the Trust, as adjusted for distributions to owners, transfers to other reserves and issue related expenses etc.

14. Borrowings

	As at March 31, 2024	As at March 31, 2023
Term Loans (secured)		
Non convertible debentures	11,275.62	6,351.05
Rupee term loans from banks	21,185.13	7,673.13
Total Non-current borrowings (excluding current maturities)	**32,460.75**	**14,024.18**
Current maturities of long-term borrowings (refer note 15)		
- Rupee term loans from banks	465.10	160.00
- Non convertible debentures	65.00	65.00
- Commercial paper	2,647.55	-
Total borrowings (including current maturities)	**35,638.40**	**14,249.18**

(i) Refer Note 31 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 32 - Financial risk management for assessment of expected credit losses

(ii) **Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:**

Particulars	Non-current borrowings (including current maturities)
Balance as at April 01, 2022	**-**
Cash flows:	
Proceeds from borrowings (net of processing fees)	14,350.14
Repayment of borrowings	(112.50)
Non-cash:	
Impact of amortised cost adjustment for borrowings	11.54
Balance as at March 31, 2023	**14,249.18**
Cash flows:	
Proceeds from borrowings (net of processing fees)	21,648.81
Repayment of borrowings	(377.66)
Non-cash:	
Impact of amortised cost adjustment for borrowings	28.14
Interest on Commercial Paper	89.93
Balance as at March 31, 2024	**35,638.40**

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

A. Repayment terms

Repayment terms of rupee term loan (RTL):

Rupee term loan (including RTL- 1 for sanctioned limits of ₹ 8,000.00 Mn and RTL-2 for sanctioned limits of ₹ 19,000.00 Mn) from banks and financial institutions (including current maturities) of ₹ 21,650.23 Mn (March 31, 2023: ₹ 7,833.13 Mn) which carries weighted average interest rate of 8.34% p.a. (March 31, 2023: 7.94% p.a.) linked to Benchmark Rates (as defined in Rupee Loan Agreement or any communication from lender in relation to shift in Benchmark Rate) plus spread, if any, the interest rate will reset on such periodicity (in line with Benchmark Rate). The RTL-1 loan is repayable in 55 structured quarterly instalments starting from September 30, 2022 and ending on March 31, 2036. The RTL- 2 loan is repayable in 65 structured quarterly instalments starting from March 31, 2024 and ending on June 30, 2040.

Repayment terms of non-convertible debentures (NCD):

Series I and II:

For the previous year ended March 31, 2023, 'The Trust has issued senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹ 4,000.00 Mn for Series I at coupon rate of 7.81% p.a. (March 31, 2023: 7.71% p.a) and ₹ 2,500.00 Mn for Series II at coupon rate of 8.25% p.a (March 31, 2023: 8.25% p.a) having an outstanding balance as at March 31, 2024 of ₹ 6,366.13 Mn (March 31, 2023 of ₹ 6,416.05 Mn) which will mature on December 22, 2025 and September 22, 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quaterly installments starting from December 31, 2022 and ending on December 22, 2025. Further series II NCDs is repayable in 28 structured quaterly installments starting from December 31, 2022 and ending on September 22, 2029.

Series III:

The Trust has issued senior, secured, taxable, rated, listed, redeemable Non-Convertible Debentures ("NCD's") amounting to ₹ 5,000.00 Mn for Series III at coupon rate of 8.34% p.a. (March 31, 2023: Nil) having an outstanding balance as at March 31, 2024 of ₹ 4,974.49 Mn (March 31, 2023 of ₹ Nil). The NCDs are listed on Bombay Stock Exchange (BSE). The said series III NCDs is repayable in bullet payments at the end of 3 years from deemed date of allotments i.e. January 18, 2027.

Repayment terms of Commercial papers (CP):

Further, the Trust has issued Commercial paper ("CP") amounting to ₹ 2,750.00 Mn at discount rate of 8.30% p.a. having an outstanding balance as at March 31, 2024 of ₹ 2,647.55 Mn (March 31, 2023: ₹ Nil) after unwinding of Interest on CP. The said CP is repayable in bullet payments after 328 days from date of issue. i.e. September 23, 2024.

B. Security clause: non-convertible debenturs (NCD) and rupee term loan (RTL) are secured by:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:
   i) all receivables of the Issuer from the HoldCos and SPVs
   ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs
   iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer
   iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer
   v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

(b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future

(c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA.

(e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

(f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities").

15. Current borrowings

	As at March 31, 2024	As at March 31, 2023
Current maturities of non-current borrowings (refer note 14)		
- Rupee term loans from banks	465.10	160.00
- Non convertible debentures	65.00	65.00
- Commercial paper	2,647.55	-
	3,177.65	**225.00**

16. Trade payables

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	3.96	1.54
Total outstanding due to creditors other than micro and small enterprises		
- Related parties (refer note 34)	24.71	22.76
- Others	113.70	27.73
	138.41	**50.49**
	142.37	**52.03**

Note:-

(i) Refer note 32 Financial risk management for presentation of financial instruments by category.

Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Trust, the following are the details:

Particulars	As at March 31, 2024	As at March 31, 2023
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	3.96	1.54
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars		As at March 31, 2024	As at March 31, 2023
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule of Trade payable

As at March 31, 2024

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	3.96	-	-	-	-	3.96
(ii) Undisputed dues - Others	138.41	-	-	-	-	138.41
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**142.37**	**-**	**-**	**-**	**-**	**142.37**

As at March 31, 2023

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	-	1.54	-	-	-	1.54
(ii) Undisputed dues - Others	28.45	22.04	-	-	-	50.49
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**28.45**	**23.58**	**-**	**-**	**-**	**52.03**

17. Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued on rupee term loan	3.64	1.19
Interest accrued on NCD	2.38	1.30
Consideration payable towards acquisition of subsidiaries	578.09	-
	584.11	**2.49**

18. Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	26.09	16.41
	26.09	**16.41**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

19. Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Provision for income tax (net)	8.21	-
	8.21	**-**

20. Interest income on loans from subsidiaries

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Interest on CCD's	-	357.06
- Interest on RTL	2,742.37	923.98
- Interest on OCD'S	745.32	300.89
	3,487.69	**1,581.93**

21. Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on sale of investments	5.90	-
Other income	2.56	-
	8.46	**-**

22A Interest on term loan and non convertible debentures

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- on rupee term loan	1,021.38	308.71
- on non-convertible debentures	614.12	275.42
- on commercial paper	89.93	-
	1,725.43	**584.13**

22B Other finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance and bank charges	1.22	0.57
	1.22	**0.57**

23. Audit fees

	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit and limited review fees	20.78	15.43
Certification fees	3.85	1.24
Out of pocket expenses	0.58	0.71
	25.21	**17.38**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

24. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Travelling expenses	9.76	-
Telephone and communication	0.01	0.01
Rates and taxes	1.30	0.01
Demat fees	-	0.02
Loss on reduction of investment in equity	8.44	14.22
Miscellaneous expenses	0.24	2.07
	19.75	**16.33**

25 Exceptional items

	For the year ended March 31, 2024	For the year ended March 31, 2023
Impairment of non-current investments - SEPL	-	154.38
Impairment of non-current investments - NBPL	11.23	244.05
Impairment of non-current investments - JPEPL	2,353.95	1,509.31
Impairment of non-current loan given - JPEPL	368.85	-
Impairment of non-current investments - DBCPL	-	136.85
Impairment of non-current investments - RAHPL	211.63	-
Impairment of non-current investments - GSHPL	133.47	-
Impairment of non-current investments - STPL	1,885.66	-
	4,964.79	**2,044.59**

Note:

As per Ind AS 36 'Impairment of Assets', management carried out the impairment assessment of investment in subsidiaries and provided for an impairment loss of ₹ 4,964.78 Mn (March 31, 2023: ₹ 2,044.59 Mn) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended March 31, 2024. The recoverable value determined through value in use method in respect of investment in subsidiary. The discount rate used for determining the recoverable value is 8.63% for SEPL, 8.07% for NBPL, 10.44% for JPEPL, 10.52% for DBCPL, 7.43% for RAHPL, 7.50% for GSHPL and 9.94% for STPL for the year ended March 31, 2024 and 8.38% for SEPL, 8.35% for NBPL, 10.50 % for JPEPL and 10.55% for DBCPL for the year ended March 31, 2024.

Recoverable Value:	For the year ended March 31, 2024	For the year ended March 31, 2023
SEPL	139.89	201.89
NBPL	175.78	110.36
JPEPL	-	2,353.95
DBCPL	13,783.60	12,218.15
RAHPL	711.30	-
GSHPL	1,977.01	-
STPL	15,181.91	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

26. Assets pledged as security

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Investments (refer note 7)	174.91	292.52
Cash and cash equivalents and bank balances other than cash and cash equivalents (refer note 8 and 9)	1,414.20	1,241.97
Loans (refer note 10)	2,212.06	1,006.61
Other current assets (refer note 11)	64.73	3.02
Total current assets pledged as security	**3,865.90**	**2,544.13**
Non-current		
Investments (refer note 3)	52,665.68	36,159.46
Loans (refer note 4)	35,685.92	11,450.25
Other non current financial assets (refer note 5)	0.50	-
Non-current tax assets (net) (refer note 6)	-	1.16
Total non-currents assets pledged as security	**88,352.10**	**47,610.86**
Total assets pledged as security	**92,218.00**	**50,154.99**

27. Tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income tax expense recognised in Statement of Profit and Loss		
Current tax	67.38	18.27
Current tax relating to earlier year	0.11	-
	67.49	**18.27**
The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:		
Profit before tax	(1,983.40)	444.73
Income tax using the Trust's domestic tax rate*	42.74%	42.74%
Expected tax expense [A]	**(847.79)**	**190.10**
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax impact of exempt income as per Income Tax Act, 1961	(2,165.52)	(1,378.12)
Tax impact of non-deductable expenditure pursuant to section 14A of the Income Tax Act, 1961	3,080.69	1,206.30
Others	0.11	-
Total adjustments [B]	**915.28**	**(171.83)**
Actual tax expense [C=A+B]	**67.49**	**18.27**
* Domestic tax rate applicable to the Trust has been computed as follows:		
Base tax rate	30.00%	30.00%
Surcharge (% of tax)	37.00%	37.00%
Cess (% of tax)	4.00%	4.00%
Applicable tax rate	**42.74%**	**42.74%**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

28. Earnings per unit (EPU)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net (loss)/profit attributable to unitholders	**(2,050.89)**	**426.46**
Number of weighted average units (nominal value of ₹ 100 each)**		
- Basic EPU	499,975,102	251,576,712
- Diluted EPU	499,975,102	251,576,712
Earnings per unit - after exceptional items and tax		
- Basic EPU	(4.10)	1.70
- Diluted EPU	(4.10)	1.70

**Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the year.

**Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

29. Capital and other commitments

Commitments as at March 31, 2024 is Nil (March 31, 2023: Nil)

30. Contingent liabilities and claims

Contingent Liabilities as at March 31, 2024 is Nil (March 31, 2023: Nil)

31. Fair value disclosures

(i) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (refer note 3 and 7)	Level 3	52,840.59	60,728.82	36,451.98	38,846.67
Cash and cash equivalents (refer note 8)	Level 3	461.18	461.18	265.54	265.54
Bank balances other than cash and cash equivalents above (refer note 9)	Level 3	953.02	953.02	976.43	976.43
Current and non current loans (refer note 4 and 10)	Level 3	37,897.97	37,897.97	12,456.86	12,456.86
Others (refer note 5)	Level 3	0.50	0.50	-	-
Total financial assets		**92,153.27**	**100,041.50**	**50,150.81**	**52,545.50**
Financial liabilities					
Borrowings (including current maturities of non-current borrowings) (refer note 14 and 15)	Level 3	35,638.40	35,638.40	14,249.18	14,249.18
Trade payables (refer note 16)	Level 3	142.37	142.37	52.03	52.03
Other financial liabilities (refer note 17)	Level 3	584.11	584.11	2.49	2.49
Total financial liabilities		**36,364.88**	**36,364.88**	**14,303.70**	**14,303.70**

Valuation process and technique used to determine fair value

* The fair values of the Trust's loans and Investments are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting year end was assessed to be insignificant.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

The significant unobservable inputs used in the fair value measurement of investment in subsidiaries required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Investment in subsidiaries	Valuation Method	Revenue growth rate		Data inputs (Discount rate)		Equity value of investment	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Shillong Expressway Private Limited	Discounted cash flow method	refer note 1	refer note 1	8.09%	8.38%	279.94	201.89
Nirmal BOT Private Limited	Discounted cash flow method	refer note 1	refer note 1	8.07%	8.35%	146.10	120.34
Dewas Bhopal Corridor Private Limited	Discounted cash flow method	10.99% to 12.63%	10.97% to 12.11%	10.52%	10.55%	13,468.37	12,218.15
Godhra Expressways Private Limited	Discounted cash flow method	8.38% to 11.91%	8.39% to 12.14%	10.45%	10.46%	12,212.71	18,379.28
Ulundurpet Expressways Private Limited	Discounted cash flow method	4.42% to 8.14%	4.13% to 6.51%	10.10%	10.11%	3,459.70	3,056.34
Jodhpur Pali Expressway Private Limited	Discounted cash flow method	3.89% to 9.40%	6.20% to 27.56%	10.48%	10.50%	-	4,870.67
Ateli Narnaul Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.43%	refer note 2	1,808.56	refer note 2
Rewari Ateli Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.43%	refer note 2	546.20	refer note 2
Gurgaon Sohna Highway Private Limited	Discounted cash flow method	refer note 1	refer note 1	7.50%	refer note 2	710.99	refer note 2
Udupi Tollway Private Limited	Discounted cash flow method	7.35% to 11.08%	refer note 2	10.60%	refer note 2	243.90	refer note 2
Gujarat Road and Infrastructure Company Limited	Discounted cash flow method	(1.93%) to 11.92%	refer note 2	10.27%	refer note 2	8,992.10	refer note 2
Swarna Tollway Private Limited	Discounted cash flow method	6.34% to 9.33%	refer note 2	9.94%	refer note 2	18,860.25	refer note 2
						60,728.82	**38,846.67**

Note 1 - For HAM model and Annuity model subsidiaries, Actual revenue as per service concession agreement have been considered.

Note 2 - Entity is acquired during the year, hence figures for previous year is not given.

ii) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments* (refer note 3 and 7)	-	-	207.90	-	-	7,395.59
Cash and cash equivalents (refer note 8)	-	-	461.18	-	-	265.54
Bank balances other than cash and cash equivalents above (refer note 9)	-	-	953.02	-	-	976.43
Current and non current loans (refer note 4 and 10)	-	-	37,897.97	-	-	12,456.86
Others (refer note 5)	-	-	0.50	-	-	-
Total	**-**	**-**	**39,520.58**	**-**	**-**	**21,094.42**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings (including current maturities of non-current borrowings) (refer note 14 and 15)	-	-	35,638.40	-	-	14,249.18
Trade payables (refer note 16)	-	-	142.37	-	-	52.03
Other financial liabilities (refer note 17)	-	-	584.11	-	-	2.49
Total	**-**	**-**	**36,364.88**	**-**	**-**	**14,303.70**

*Excludes investment in equity instruments of subsidiaries (net of impairment) amounting to ₹ 52,632.69 carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27') for the year ended March 31, 2024.

32. Financial risk management

The Trust's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Trust's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements :

Risk	Exposure arising from	Measurement	Management manages risk by
Credit risk	Cash and cash equivalents, Loans carried at amortised cost Bank balances other than cash and cash equivalents	Aging analysis	Investing in bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investments measured at fair value through profit and loss	Sensitivity analysis	Diversification of portfolio of its assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

The Trust's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of Investment manager. The Board of Directors of Investment manager provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Trust. The Trust is exposed to this risk for various financial instruments, for example by granting loans and making deposits, etc. The Trust's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- loans and receivables carried at amortised cost.

a) Credit risk management

The Trust assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of counterparties, identified either individually or by the Trust, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Trust assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Assets under credit risk :

Credit rating	Particulars	As at March 31, 2024	As at March 31, 2023
A: Low	Cash and cash equivalents	461.18	265.54
	Bank balances other than cash and cash equivalents above	953.02	976.43
B: High	Investments	207.90	7,395.60
	Loans to related parties	37,897.98	12,456.86
	Total	**39,520.08**	**21,094.42**

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Loans and non-current investments measured at amortised cost

Loans measured at amortised cost and loans given to related parties, the credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Financial assets (other than trade receivables)

The Trust provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents- Since the Trust deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans - Credit risk is evaluated based on the Trust's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans which has been given to its subsidiary companies, credit risk in respect of these loans is evaluated as high.

B) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Trust closely monitors its liquidity and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Trust has access to undrawn borrowing facilities under rupee term loan agreement at the end of the March 31, 2024 amounting to ₹ 4,751.57 Mn and March 31, 2023 amounting to Nil.

b) Maturities of financial liabilities

The tables below analyse the Trust's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	6,014.08	15,222.15	5,939.75	29,084.32	56,260.30
Other financial liabilities	584.11	-	-	-	584.11
Trade payable	142.37	-	-	-	142.37
Total	**6,740.56**	**15,222.15**	**5,939.75**	**29,084.32**	**56,986.78**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

As at March 31, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	1,359.85	6,618.14	2,632.74	10,925.12	21,535.85
Other financial liabilities	2.49	-	-	-	2.49
Trade payable	52.03	-	-	-	52.03
Total	**1,414.37**	**6,618.14**	**2,632.74**	**10,925.12**	**21,590.38**

C) Price risk

i) Exposure

The Trust is not exposed to price risk as at balance sheet date.

D) Interest rate risk

i) Liabilities

The Trust's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Trust's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Trust to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowing	21,650.23	7,833.13
Fixed rate borrowing	13,988.17	6,416.05
Total borrowings	**35,638.40**	**14,249.18**
Amount disclosed under current borrowings	3,177.65	225.00
Amount disclosed under non current borrowings	**32,460.75**	**14,024.18**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity*		
Interest rates – increase by 100 bps*	216.50	78.33
Interest rates – decrease by 100 bps*	(216.50)	(78.33)

* Holding all other variables constant

E) Foreign Currency risk

The Trust has made few foreign currency transaction during the financial year ended March 31, 2024 ₹ 10.50 Mn (March 31, 2023: NIL). As at March 31, 2024 there is no foreign currency exposure. Hence, Trust is not exposed to any foreign currency risk.

ii) Assets

The Trust's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

33. Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may return capital to shareholders or issue new shares. The Trust monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within its net debt, borrowings less cash and cash equivalents.

Debt equity ratio

Particulars	As at March 31, 2024	As at March 31, 2023
Net debts*	35,177.22	13,983.64
Total equity	55,818.82	35,834.88
Net debt to equity ratio	0.63	0.39

Net debt*

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings (refer note 14)	32,460.75	14,024.18
Current borrowings (refer note 15)	3,177.65	225.00
Less: Cash and cash equivalents (refer note 8)	(461.18)	(265.54)
Net debt	**35,177.22**	**13,983.64**

34. Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

I. Following are the related parties and transactions entered with related parties for the year ended March 31, 2024 and March 31, 2023:

Subsidiaries

Dewas Bhopal Corridor Private Limited ("DBCPL")

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

Jodhpur Pali Expressway Private Limited ("JPEPL")

Godhra Expressways Private Limited ("GEPL")

Ulundurpet Expressways Private Limited ("UEPL")

Shillong Expressway Private Limited ("SEPL")

Udupi Tollway Private Limited ("UTPL") (formerly known as 'Navyuga Udupi Tollway Private Limited') w.e.f. November 02, 2023

Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as 'HG Ateli Narnaul Highway Private Limited') w.e.f. November 22, 2023

Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as 'HG Rewari Ateli Highway Private Limited') w.e.f. November 22, 2023

Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f. November 22, 2023

Gujarat Road and Infrastructure Company Limited ("GRICL") w.e.f. January 24, 2024

Swarna Tollway Private Limited ("STPL") w.e.f. January 24, 2024

Holding Entity

Galaxy Investments II Pte. Ltd

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Intermediate holding entities

Galaxy Investments Pte. Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp*

*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

HC One Project Manager Private Limited

**With whom the Trust had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (xvi) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f November 23, 2022 and II C. (xiii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust uptil November 22, 2022.

II. List of additional related parties as per Regulation 2(1)(zv) of the InvIT Regulations

A. Parties to Highways Infrastructure Trust

Sponsor Group:

On Completion of issuance and allotment of preferential units (refer note 12(vii)), the following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the InvIT Regualtions read with the proviso to Regulation(4)(2)(d)(i) of the InvIT Regulations

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Galaxy Investments Pte. Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l

Nebula Asia Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

Nebula I Investments Pte. Ltd. (w.e.f. January 19, 2024)

KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. January 19, 2024)

KKR Associates AP Infrastructure II SCSp; and (w.e.f. January 19, 2024)

KKR AP Infrastructure II S.à r.l. (w.e.f.January 19, 2024)

Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust (w.e.f November 23, 2022)

Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto November 22, 2022)

HC One Project Manager Private Limited- Project manager of the Trust (w.e.f November 14, 2022)

Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto November 13, 2022)

Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f November 14, 2022)

Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto November 13, 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited (w.e.f November 23, 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto November 22, 2022)

C. Directors/General Partners/Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Tang Jin Rong
Madhura Narawane
Goh Ping Hao

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong
Madhura Narawane

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd

Tang Jin Rong
Goh Wei Chong Matthew

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l

(vi) Managers of KKR AP Infrastructure S.à r.l

Jason Carss (Class A)
Steven Codispoti (Class A)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Madhura Narawane

(viii) Directors of Nebula I Investments Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Madhura Narawane

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. January 19, 2024)

KKR Associates AP Infrastructure II SCSp

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xi) General Partner of KKR Associates AP Infrastructure II SCSp (w.e.f. January 19, 2024)

KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l. (w.e.f. January 19, 2024)

Jason Carss (Class A)

Steven Codispoti (Class A)

Thomas Weber (Class B)

Nina Scheid (Class B)

(xiii) Directors/KMP of Virescent Infrastructure Investment Manager Private Limited (details upto November 22, 2022)

Mr. Pradeep Kumar Panja, Independent Director

Mr. Sanjay Grewal, Wholetime Director

Mr. Akshay Jaitly, Independent Director

Mr. Hardik Bhadrik Shah, Director

Mr. Aditya Narayan, Non-executive Director

Ms. Daisy Devassy Chittilapilly, Independent Director

Ms. Charmy bhoot, Company Secretary and Compliance Officer

(xiv) Directors of Virescent Renewable Energy Project Manager Private Limited (details upto November 13, 2022)

Mr. Sanjay Grewal, Director

Mr. Atul Raizada, Director

(xv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director

Mr. Rajesh Kumar Dahiya (Director) (till January 15, 2024)

Mr. Ganesh Sankaran (Director) (till January 15, 2024)

Mr. Sumit Bali (Non-executive Director) (w.e.f January 16, 2024)

Mr. Prashant Joshi (Non-executive Director) (w.e.f January 16, 2024)

(xvi) Directors/KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrik Shah, Non-executive Director

Mr. Neeraj Sanghi, CEO (KMP), Whole time Director (till March 31, 2024) (refer note 51)

Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f April 01, 2024) (refer note 51)

Dr Zafar Khan, Director (KMP), Joint CEO (w.e.f April 01, 2024) (refer note 51)

Ms. Sudha Krishnan, Independent Director (w.e.f September 14, 2022)

Ms. Ami Vinoo Momaya, Non-executive Director

Mr. Subramanian Janakiraman, Independent Director

Mr. Manish Agarwal, Independent Director (from w.e.f September 14, 2022)

Ms. Kunjal Shah, Company Secretary and Compliance Officer

Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note 47)

Mr. Abhishek Chhajer, Chief Financial Officer (refer note 47)

(xvii) Directors of HC One Project Manager Private Limited

Mr. Abhishek Chhajer (w.e.f April 01, 2024)

Mr. Neeraj Sanghi, Director (w.e.f September 20, 2022 till March 31, 2024)

Dr Zafar Khan, Director (w.e.f September 20, 2022)

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Galaxy Investment II Pte. Ltd		
Transaction during the year		
Issue of unit capital	-	37,390.00
Distribution to unit-holders^	3,315.00	5,426.24
Investment in CCD's	-	3,060.00
Balance outstanding at the end of the year		
Unit capital	37,390.00	37,390.00
Nebula Asia Holdings II Pte. Ltd.		
Transaction during the year		
Issue of unit capital	14,900.00	-
Distribution to unit-holders^	660.64	-
Balance outstanding at the end of the year		
Unit capital	14,900.00	-
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the year		
Investment manager fees	-	2.36
Reimbursement of expenses	-	71.25
Balance outstanding at the end of the year		
Investment manager fees payable	-	2.16
Highway Concessions One Private Limited		
Transaction during the year		
Investment manager fees	74.64	22.51
Reimbursement of expenses	5.49	44.85
Balance outstanding at the end of the year		
Investment manager fees payable	24.71	20.60
Nirmal BOT Private Limited		
Transaction during the year		
Loan given	272.79	1,158.30
Proceeds from redemption of OCD's of subsidiaries	10.00	321.11
Refund of loan given	293.50	188.88
Investment in OCD's of subsidiaries	-	331.11
Impairment of non current investment (exceptional items)	11.23	244.05
Investment in equity instruments of subsidiaries	-	354.41
Interest on loan given	134.66	82.82
Interest on CCD's and OCD's given	0.21	25.36
Balance outstanding at the end of the year		
Investments in equity instruments of subsidiaries (net of impairment)	99.13	110.36
Investment in OCD's of subsidiaries	-	9.98
Interest recievable	3.27	0.37
Loan recievable	948.72	969.42

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Dewas Bhopal Corridor Private Limited		
Transaction during the year		
Loan given	-	2,814.94
Recognition of loan pursuant to equity share capital reduction	-	600.14
Refund of loan given	-	115.00
Impairment of non current investment (exceptional items)	-	136.85
Investment in equity instruments of subsidiaries	-	12,969.36
Tax deducted at source on account of capital reduction	0.60	-
Reduction in value of investment in equity pursuant to share capital reduction	-	614.36
Interest on loan given	462.01	203.45
Dividend distribution	1,178.37	1,642.21
Loss on reduction of investment in equity	-	14.22
Dewas Bhopal Corridor Private Limited		
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	12,218.15	12,218.15
Loan recievable	3,300.08	3,300.08
Interest recievable	0.00	3.71
Ulundurpet Expressways Private Limited		
Transaction during the year		
Loan given	312.55	2,699.29
Proceeds from redemption of OCD's of subsidiaries	10.00	209.05
Refund of loan given	1,496.05	1,459.64
Investment in OCD's of subsidiaries	-	219.04
Investment in equity instruments of subsidiaries	-	3,004.95
Interest on loan given	93.34	189.12
Interest on CCD's and OCD's	0.21	16.88
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	3,004.95	3,004.95
Investment in OCD of subsidiaries	-	9.99
Interest recievable	0.69	0.53
Loan recievable	56.15	1,239.65
Godhra Expressways Private Limited		
Transaction during the year		
Loan given	4,500.00	4,059.40
Recognition of loan pursuant to equity share capital reduction	1,532.26	-
Proceeds from redemption of OCD's of subsidiaries	4,500.00	561.76
Refund of loan given	65.83	5.00
Investment in OCD's of subsidiaries	-	5,094.01
Tax deducted at source on account of capital reduction	1.53	-
Investment in equity instruments of subsidiaries	-	11,167.09

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Reduction in value of investment in equity pursuant to share capital reduction	1,540.70	-
Loss on reduction of investment in equity	8.44	-
Interest on loan given	847.98	295.69
Interest on CCD's and OCD's	519.21	417.88
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries	9,626.39	11,167.09
Investment in OCD's of subsidiaries	32.38	4,523.25
Interest recievable on RTLs	180.52	1.55
Interest recievable on OCD's	0.74	54.11
Loan recievable	10,020.83	4,054.40
Jodhpur Pali Expressway Private Limited		
Transaction during the year		
Loan given	3,059.13	2,874.81
Refund of loan given	400.76	5.00
Investment in optionally convertible debentures of subsidiaries	-	2,333.83
Redemption of optionally convertible debentures of subsidiaries	2,333.83	-
Investment in equity instruments of subsidiaries	-	3,863.25
Interest on loan given	557.13	152.90
Interest on CCD's and OCD's	225.70	197.83
Impairment of non-current investment (exceptional items)	2,353.95	1,509.31
Impairment of non-current loan given (exceptional items)	368.85	-
Jodhpur Pali Expressway Private Limited		
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	-	2,353.94
Investment in optionally convertible debentures of subsidiaries	-	2,333.70
Interest recievable on OCD's and CCD's	0.00	183.02
Interest recievable on RTL	211.46	17.34
Loan recievable	5,159.33	2,869.81
Shillong Expressway Private Limited		
Transaction during the year		
Impairment of non current investment (exceptional items)	-	154.38
Loan given	405.66	-
Investment in equity instruments of subsidiaries	-	356.27
Investment in preference shares of subsidiaries	-	545.10
Refund of loan given	178.19	-
Proceeds from redemption of preference shares	97.64	272.55
Interest on loan given	12.68	-
Dividend distribtion	165.73	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Balance outstanding at the end of the year		
Investments in equity instruments of subsidiaries	201.89	201.89
Loan recievable	227.47	-
Investment in preference shares of subsidiaries	174.91	272.55
Udupi Tollway Private Limited		
Transaction during the year		
Investments in equity instruments of subsidiaries	196.05	-
Loan given	8,821.27	-
Interest on loan given	443.44	-
Refund of loan given	351.86	-
Balance outstanding at the end of the year		
Investments in equity instruments of subsidiaries	196.05	-
Loan recievable	8,469.41	-
Interest recievable on RTL	240.28	-
Gurgaon Sohna Highway Private Limited		
Transaction during the year		
Investments in equity instruments of subsidiaries	844.46	-
Loan given	2,566.13	-
Dividend received	41.26	-
Interest on loan given	86.25	-
Refund of loan given	86.00	-
Impairment of non current investment (exceptional items)	133.47	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	710.99	-
Loan recievable	2,480.13	-
Interest recievable on RTL	0.95	-
Rewari Ateli Highway Private Limited		
Transaction during the year		
Investments in equity instruments of subsidiaries	757.83	-
Loan given	2,227.30	-
Distribution of dividend	190.86	-
Interest on loan given	77.82	-
Refund of loan given	147.05	-
Impairment of non-current investment (exceptional items)	211.63	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	546.20	-
Loan recievable	2,080.25	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Ateli Narnaul Highway Private Limited		
Transaction during the year		
Investments in equity instruments of subsidiaries	1,511.49	-
Loan given	3,397.14	-
Interest on loan given	20.15	-
Balance outstanding at the end of the year		
Investments in equity instruments of subsidiaries	1,511.49	-
Loan recievable	3,397.14	-
Interest recievable on RTL	5.96	-
Swarna Tollway Private Limited		
Transaction during the year		
Loan Given	1,115.35	-
Investment in equity instruments of subsidiaries	20,745.90	-
Interest on Loan	6.88	-
Impairment of non-current investment (exceptional items)	1,885.66	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	18,860.24	-
Loan recievable	1,115.34	-
Gujarat Road and Infrastructure Company Limited		
Transaction during the year		
Investment in equity instruments of subsidiaries	5,657.22	-
Balance outstanding at the end of the year		
Investment in equity instruments of subsidiaries (net of impairment)	5,657.22	-
Axis Trustee Services Limited		
Transaction during the year		
Trustee fees Paid	1.42	0.83
Initial acceptance fees	0.71	-
Axis Bank Limited		
Transaction during the year		
Loan taken	1,150.00	44.23
Refund of loan taken	21.61	5.00
Processing Fees	5.43	3.54
Interest on loan	74.07	5.03
Interest on bank deposits	44.81	-
Investment in bank deposits	9,671.53	-
Redemption of term deposits	9,671.53	-
Balance outstanding at the end of the year		
Interest payable on RTL	-	-
Loan payable	1,617.87	489.48
Closing balance of current account	1.35	-

Note: All related party transactions entered during the year were in ordinary course of the business and on arms length basis.

^Pertains to the distributions made during the financial year along with the distribution related to the last quarter of 2022-23 and does not include the distribution relating to the last quarter of 2023-24 which will be paid after March 31, 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

IV. Disclosures pursuant to SEBI Master circular (Paragraph 4.6.6 of Chapter 4 to the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 read with Para 3.4.4 of Chapter 3 to SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023) on audited standalone financial statements for the year ended March 31, 2024.

For the year ended March 31, 2024:

During the year ended March 31, 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

For the year ended March 31, 2023:

A Summary of the valuation reports (issued by the independent valuer appointed under the SEBI Regulations) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended March 31, 2023:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

B Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations) for Investment in Compulsorily Convetible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Value of CCD	-	362.35	5,578.71	2,553.92	239.71	-
Discounting rate (WACC)	NA	13.71%	13.71%	13.70%	13.71%	NA
Method of valuation	Discounted cash flows					

*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs"). Further, during the current year OCDs of JPEPL, NBPL and UEPL were redemeed.

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated August 22, 2022. 'Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on August 23, 2022.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

35. Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Trust's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

36. Disclosures on revenue persuant to Ind AS 115 - Revenue from contracts with customers

A Disaggregation of revenue

Revenue recognised mainly comprises of interest income on loan to related parties and dividend income from related parties. Set out below is the disaggregation of the Trust's revenue from contracts with customers:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating revenue		
Interest on CCD's	-	357.06
Interest on RTLs	2,742.37	923.98
Interest on OCD's	745.32	300.89
Dividend income from related parties	1,576.22	1,642.21
Total operating revenue	**5,063.91**	**3,224.14**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended March 31, 2024 and year ended March 31, 2023 :

S. No.	Types of Products by Nature	Types of Services by timing	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Interest income	Over the period of time	3,487.69	1,581.93
2	Dividend income	At the point of time	1,576.22	1,642.21

B Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at March 31, 2024	As at March 31, 2023
Contract assets*		
Interest Receivable on OCD's	0.74	237.13
Interest Receivable on RTL	643.13	23.51
Total	**643.87**	**260.64**

C There is no contract liability** balance as at March 31, 2024.

*Contract asset is the right to consideration in exchange for goods or services transferred to the customer.
** Contract liability is the Trust's obligation to transfer goods or services to a customer for which the Trust has received consideration from the customer in advance.

D There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement to the with the contracted price under the Contract.

E The Trust recognised revenue when it satisfies the performance obligations as per the terms of relevant contracts entered with the customers.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

37. Financial ratios

Ratio	Numerator	Denominator	As at March 31, 2024 Ratio	As at March 31, 2023 Ratio	% Change	Remark
Current ratio	Current assets	Current liabilities	0.98	8.60	(88.58%)	Variance is due to increase in current liabilities on account of raising of fund by way of short term commercial paper.
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	0.64	0.40	60.57%	Variance is due to raing of additional fund by way of additional rupee term loan (RTL), NCD, Commercial paper and issuance of units by way of right and preferential issue.
Debt service coverage ratio	Profit before tax + finance costs+ exceptional items	Finance costs + Principal repayment for borrowings	2.24	4.41	(49.26%)	Variance is due to increase in finance cost on account of new borrowings raised during the current financial year.
Return on equity ratio (in %)	(Loss)/ profit after tax	Average of total equity	(4.48%)	2.38%	(288.03%)	Variance is due to during the year trust raised Fund through term loan, NCD, Commercial Paper, rights issue & Preferential Allottment. Also, there has been recognition of impairment during the year which leads to decrease in ratio.
Inventory turnover ratio**	Costs of materials consumed	Average inventories	N.A	N.A	N.A	NA
Trade receivables turnover ratio***	Revenue from operations	Average trade receivables	N.A	N.A	N.A	NA
Trade payables turnover ratio	Other expenses	Average trade payables	3.62	3.71	(2.24%)	refer note 1

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Ratio	Numerator	Denominator	As at March 31, 2024 Ratio	As at March 31, 2023 Ratio	% Change	Remark
Interest service coverage ratio	(Loss)/profit before tax + finance costs	finance cost	2.73	5.26	(48.14%)	Variance is due to increase in finance cost on additional fund raised during the year.
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	(69.81)	1.43	(4,967.86%)	Variance is due to increase in interest income on rupee term loan as comapred to last year.
Operating margin	Profit /loss before tax+finance cost+exceptional items	Revenue from operations	0.93	0.95	(2.49%)	
Net profit ratio	(Loss)/ profit after tax	Revenue from operations	(40.50%)	13.23%	(406.19%)	Variance is due to increase in interest income on term loan &net profit as comapred to last year.
Return on capital employed (in %)	Earnings before depreciation and amortisation, interest and tax [Earnings = (Loss)/ profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	(0.00)	0.02	(113.66%)	Variance is due to increase in interest income on term loan as comapred to last year.
Return on investment (in %)	Revenue from operations	Instruments entirely equity in nature + Instruments in OCD and CCD + Rupee term loan given to SPV's	8.03%	6.77%	18.70%	refer note 1

** The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

*** The Trust does not have any trade receivables, therefore, trade receivable turnover ratio is not applicable.

Note:

1. Variance is below 25%, hence no reason is explained.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

38. Distribution related to 2022-23:

The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 Mn in their meeting held on May 19, 2023 and the aforesaid distribution was paid to eligible unitholders on May 30, 2023.Distribution related to 2023-24:

The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 Mn, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 Mn and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 Mn in their meeting held on August 11, 2023, November 09, 2023 and February 06, 2024 respectively and the aforesaid distribution was paid to eligible unitholders on August 22, 2023, November 21, 2023 and February 16, 2024 respectively. Subsequent to year end March 31, 2024, the Board of Directors of the Investment Manager of the Trust have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 Mn in their meeting held on May 16, 2024. Accordingly, the total distribution for the financial year ended March 31, 2024 stands at ₹ 16.5576 per unit.

Further the yield per unit for the financial year ended March 31, 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended March 31, 2024/NAV per unit as disclosed in the financial statements as at March 31, 2024.)

39. The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on December 03, 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on December 23, 2021 having registration number IN/InvIT/21-22/0019.

40. Investment manager fees

Pursuant to the Investment Management Agreement dated December 06, 2021 with the erstwhile Investment Manager i.e. Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Standalone financial Statements for the year ended March 31, 2024 includes amount of ₹ Nil (for the year ended March 31, 2023, ₹ 2.36 Mn) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till November 22, 2022. Subsequently, pursuant to the Investment Management Agreement with the current Investment Manager i.e. Highway Concessions One Private Limited dated October 20, 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ('SPVs') in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Standalone financial statement for the year ended March 31, 2024 includes ₹ 74.64 Mn (for the year ended March 31, 2023, includes amount of ₹ 22.51 Mn) towards Investment Manager Fees to Highway Concessions One Private Limited who is appointed as Investment Manager w.e.f November 23, 2022.

41. The Trust acquired the following companies (Project SPV's) on following dates:

(i) Udupi Tollway Private Limited ("UTPL") on November 01, 2023;

(ii) Ateli Narnaul Highway Private Limited ("ANHPL") on November 21, 2023;

(iii) Rewari Ateli Highway Private Limited ("RAHPL") on November 21, 2023;

(iv) Gurgaon Sohna Highway Private Limited ("GSHPL") on November 21, 2023;

(v) Swarna Tollway Private Limited ("STPL") on January 24, 2024; and

(vi) Gujarat Road and Infrastructure Company Limited ("GRICL") on January 24, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

42. During the previous year ended March 31, 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on October 19, 2022 for GEPL and DBCPL and on November 29, 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on February 27, 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on March 20, 2023 and the impacts of the same were considered in the previous year ended March 31, 2023. During the current financial year ended March 31, 2024, the Hon'ble NCLT has approved the capital reduction Scheme of GEPL on June 12, 2023 and final certificate of registration from Registrar of Companies, Mumbai is received on August 14, 2023 and the impacts of the same have been considered in the Standalone financial statement and year ended March 31, 2024. In UEPL, the Capital reduction Scheme was heard on June 23, 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on October 03, 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated January 10, 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on January 19, 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to re-consider the scheme. The Trust has filled appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on February 02, 2024. Further, the matters were partially heard on May 02, 2024 and have been adjourned till May 16, 2024. On May 16, 2024 it has been further adjourned till May 31, 2024.

43. During the current financial year ended March 31, 2024, the Trust has entered into a Share Purchase Agreement on May 03, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited till December 20, 2023), Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited till December 20, 2023), Gurgaon Sohna Highway Private Limited ('GSHPL') and H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on September 29, 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. ANHPL, GSHPL and RAHPL. Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of these 3 SPV's on November 21, 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 Mn, ₹ 844.46 Mn and ₹ 757.83 Mn respectively from H.G Infra Engineering Limited. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Accordingly, necessary impacts have been considered in the standalone financial statement for the year ended March 31, 2024.

44. During the previous year ended March 31, 2023, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited till December 28, 2023) ('UTPL') in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on September 11, 2023 from National Highways Authorities of India ("NHAI"). During the current financial year ended March 31, 2024, the Trust has acquired 100% (one hundred percent) stake effective from November 02, 2023 ('acquisition date') for cash consideration of ₹ 196.05 Mn and UTPL become subsidiary of the Trust. Accordingly, necessary impacts have been considered in the Standalone financial statement for the year ended March 31, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

45. During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on July 28, 2023 for the acquisition of the following Target Entities:

(i) Up to 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL upon exercise of their rights as applicable; and

(ii) 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2").

Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on January 24, 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 Mn and ₹ 20,745.90 Mn respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.

46. During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on August 30, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd ('Sponsor of the Trust'). Approval for change in ownership has been received on March 11, 2024 from National Highways Authorities of India ("NHAI"). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

47. During the current financial year ended March 31, 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide it's letter dated August 28, 2023. Mr. Narayanan Doraiswamy held his current position of CFO till December 31, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated September 25, 2023 have approved the appointment of Mr. Abhishek Chhajer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from January 01, 2024 onwards. Mr. Abhishek Chhajer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above

48. During the current financial year ended March 31, 2024, Board of directors of Investment Manager of the Trust have approved following matters on October 20, 2023:

(i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 Mn in one or more series or tranches on a private Placement basis to the eligible investors; and.

(ii) Availing additional rupee term loan facility upto ₹ 19,000.00 Mn.

The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750.00 Mn at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 Mn. The CPs was listed with Bombay Stock Exchange Limited on October 31, 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹ 19,000.00 Mn out of which Trust has received disbursement of ₹ 14,248.43 Mn from lenders on November 02, 2023, November 21, 2023, November 22, 2023, January 04, 2024, March 18, 2024 and March 21, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

49. During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on January 19, 2024.

50. During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on January 15, 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:

(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

51. During the year ended March 31, 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Highway Concessions One Private Limited ("Investment Manager") on March 31, 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Executive Officer and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from April 01, 2024.

52. Subsequent to the year ended March 31, 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on April 04, 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on April 08, 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on April 17, 2024 for GSHPL and April 24, 2024 for ANHPL. The subsequent hearings are scheduled for July 24, 2024 for GSHPL and August 07, 2024 for ANHPL.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

53. Other statutory information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Trust for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iii) The Trust has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) The Trust have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended March 31, 2024

(v) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Trust does not have any transactions with struck - off companies.

(vii) The Trust has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.

54. All values are rounded to the nearest Mn, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Independent Auditor's Report

To the Unitholders' of **Highways Infrastructure Trust**

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Highways Infrastructure Trust ('the Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended, the Consolidated Statement of Net Assets at Fair Value as at 31 March 2024, the Consolidated Statement of Total Returns at Fair Value and the Consolidated statement of Net Distributable Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, as referred to in paragraph 16 below, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (hereinafter referred to as 'SEBI Master Circular') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the Companies Indian Accounting Standards Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in unitholder's equity for the year ended on that date, the consolidated net assets at fair value as at 31 March 2024, the consolidated total returns at fair value and the consolidated net distributable cash flows for the year ended as on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Acquisition of subsidiaries Refer note 2 (C) (b) for material accounting policy information and refer note 51 to the consolidated financial statements of the Trust for the year ended 31 March 2024.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of management's process, evaluated the design and tested the operating effectiveness of key controls over the business combination accounting;

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
During the current year ended 31 March 2024, the Trust has acquired following six special purpose infrastructure project entities ('SPVs') for a purchase consideration of ₹ 29,712.27 millions: 1) Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) 2) Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited) 3) Gurgaon Sohna Highway Private Limited ('GSHPL') 4) Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) 5) Swarna Tollway Private Limited ('STPL') 6) Gujarat Road and Infrastructure Company Limited ('GRICL') The Trust has accounted the business combination using acquisition method in accordance with Ind AS 103 - Business Combinations ("Ind AS 103"), which require the recognition of the assets and liabilities, including road assets and financial assets, acquired through aforesaid acquisition at acquisition date fair value, resulting in recognition of goodwill and capital reserve amounting to ₹ 3,101.73 millions and ₹ 1,677.98 millions respectively, being the difference between the fair value of the net assets acquired and the consideration paid by the Trust. The management has appointed an independent valuation expert to allocate the purchase consideration to the identified assets and liabilities including road assets and financial assets as per the fair values determined using various valuation models adopted by the expert (hereinafter referred to as 'Purchase Price Allocation' or 'PPA'), which involved significant management estimates and judgements including the model used, growth rate of the businesses acquired, discount rates etc., which involve high inherent estimation uncertainty. Any change in such estimates would have significantly affected the valuation of such assets and liabilities and the resulting goodwill and capital reserve recognized in the consolidated financial statements. Considering the magnitude of the transaction and management judgement involved, the aforesaid business combination treatment in consolidated financial statements has been considered to be a key audit matter for the current year audit.	b) Assessed the appropriateness of the accounting policy adopted by the Investment Manager for the business combination in accordance with Ind AS 103; c) Obtained the executed agreements and contracts relating to the acquisition of subsidiaries during the year and identified pertinent terms relevant to the accounting of the transaction in addition to comparing the underlying information inputs such as purchase consideration and net assets acquired; d) Examined the terms and conditions of the share purchase agreements in order to evaluate whether the Trust obtained the control of acquiree, the date for satisfaction of the closing conditions to determine the acquisition date, and the transaction price; e) Obtained valuation report prepared by the valuation specialists appointed by the management and assessed the competence, objectivity and integrity of the management's expert; f) Involved auditor's expert in evaluation of the appropriateness of the valuation model used and reasonableness of the key assumptions used such as discount rates, growth rate etc. to allocate the purchase price to net assets; g) Assessed the appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid PPA exercise (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); h) Assessed the reasonableness of the recoverable amount of goodwill recorded as on the date of acquisition by evaluating the valuation method applied including the management estimates and judgement; i) Tested arithmetic accuracy of the computation of capital reserve and goodwill; and j) Evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements for compliance with the relevant requirements of Ind AS 103.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
B. Impairment of intangible assets recognized pursuant to service concession arrangement Refer note 5 to the consolidated financial statements. As at 31 March 2024, the carrying amount of intangible assets of the Group is ₹ 55,432.88 millions relating to licenses to collect toll from road infrastructure projects as an infrastructure concession operator under service concession arrangements accounted for in accordance with Appendix D of Ind AS 115, Service Concession Arrangements. Management regularly reviews whether there are any indicators of impairment and where impairment indicators exist, the management estimates the recoverable amounts of these assets, basis value in use. The value in use of the underlying assets is determined based on the discounted cash flow projections, which involves use of key assumptions such as discounting rate, expected change in traffic and toll rates. Such assumptions and estimates require significant management judgment due to high inherent estimation uncertainty. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the future cash flow projections, we have determined this to be a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of the Group's policies and procedures to identify impairment indicators of intangible assets and for determining the fair valuation of intangible assets; b) Evaluated the design and tested the operating effectiveness of key controls for identification of impairment indicators and fair valuation of intangible assets; c) Assessed the objectivity, experience, independence and competency of management's experts involved for performing required valuations to estimate the fair value; d) Involved an auditor's expert to assess the appropriateness of the valuation methodology and assumptions applied by management's expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements in relation to impairment of licenses to collect toll under service concession arrangements in accordance with requirements of the applicable accounting standards.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
C. Computation and disclosures in Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Returns at Fair Value ("the Statements") as per SEBI regulations Refer the Statements disclosed in the accompanying consolidated financial statements pursuant to SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Group carried out by an independent valuer appointed by the Trust. For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions. Considering the importance of the disclosure required under the SEBI Regulations to the users of the consolidated financial statements, significant management judgement involved in determining the fair value of the assets of the Group, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI circular, pursuant to which the Statements are prepared by the Investment Manager; b) Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; c) Assessed the objectivity, experience, independence and competency of the management's experts involved for performing required valuations to estimate the fair value; d) Involved an auditor's expert to assess the appropriateness of the valuation methodology and assumptions applied by management's expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta); e) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); f) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; g) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; h) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and i) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
D. Measurement of operation and maintenance and major maintenance expenses Refer note 19 to the consolidated financial statements. The Group is obligated to carry out operation and maintenance and major maintenance expenditure ("O&M and MM expenses") of the toll roads on periodic basis in accordance with service concession agreements with National Highways Authority of India ('NHAI') and respective state authorities ('the Authorities'). Measurement of major maintenance obligation is a key accounting estimate under both intangible assets model where the Group has a contractual right to charge users of the public service and financial asset model where the Group has a contractual right to receive cash from the Authorities. Further, operation and maintenance cost is also a key accounting estimate with respect to financial assets model accounting. The measurement of O&M and MM expenses obligations require detailed workings and includes management estimates of items of cost required for repair and maintenance including but not limited to quantity and cost of building material, labour and other expenses, etc, and the timing of such repairs needed which is dependent upon future usage of the assets. The Group reviews such estimated O&M and MM expense obligations on an annual basis. Considering the high inherent estimation uncertainty in measurement of O&M and MM expense obligations and amounts involved, we have considered this matter as a key audit matter in the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of the process associated with the estimation of O&M and MM expenses; b) Verified the Group's obligations for such O&M and MM expenses as per terms of service concession agreements; c) Assessed the management's significant judgements / estimates used in evaluation of inputs for the purpose of measurement of O&M and MM expense obligations under financial assets model and/ or intangible assets model as applicable; d) Evaluated the workings, methodology and key assumptions adopted by the management in estimating such O&M and MM expenses in future, including projections of future use of assets, by reviewing terms of the service concession agreements, inputs from management's inhouse technical team, Group's actual cost experience and considering historical accuracy of such assumptions; e) Analysed changes in the estimates of O&M and MM expenses from prior periods and assessed the consistency of these changes with progress of the projects, if any, during the year; and f) Tested the arithmetic accuracy and evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements for compliance with applicable accounting standard.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
E. Recoverability of Minimum Alternate Tax (MAT) credit asset: Refer note 2 (C) (e) for the material accounting policy information and note 20 for related disclosure in the consolidated financial statements of the Group for the year ended 31 March 2024. As detailed in the aforesaid note 20, as at 31 March 2024 the Group has MAT credit asset of ₹ 3,303.43 millions, included under deferred tax assets that can be utilized against future income tax liabilities under the normal provision of the Income Tax Act, 1961 ('IT Act). Under Ind AS 12 'Income Taxes', the ability to recover the deferred tax asset is assessed by the management at each reporting date which depends on the estimates of future operations and taxable profits, the Group expects to earn within the period by which such MAT credit asset balance can be utilized as governed by the IT Act. There is a risk that the MAT credit may not be realized within the specified period, if the future projections are not met. Considering the materiality of the amounts and inherent subjectivity involved in management's estimation and judgement in determination of utilization of MAT credit assets through availability of sufficient future taxable income, recoverability of MAT credit asset has been considered to be a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to, the following:** a) Obtained an understanding of the management's process for preparation of the future taxable income to support the recognition and recoverability of MAT credit asset; b) Evaluated the material accounting policy information with respect to recognition of MAT credit asset in accordance with Ind AS 12; c) Evaluated the design and tested the operating effectiveness of the Group's key controls with respect to recognition and recoverability of the MAT credit asset; d) Assessed the appropriateness of Group's estimate regarding the utilisation of MAT credit asset within the time period specified under the provisions of the IT Act; e) Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Group, and tested the computation of utilization of MAT credit assets in such future years, in accordance with the provisions of the IT Act; f) Assessed the objectivity, experience, independence and competency of management's experts involved for performing required valuations to estimate the projected taxable profits; g) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the projected taxable profits as approved by the Investment Manager considered in assessment of recoverability of MAT (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); h) Discussed and evaluated potential changes in key drivers as compared to previous year / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; i) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; j) Tested arithmetic accuracy of cash flows projections and future taxable profit workings; and k) Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements in relation to MAT credit assets in accordance with requirements of the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Board of Directors of Investment Manager of the Trust are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Investment Manager and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust). The Investment Manager of the Trust is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in unit holders' equity, consolidated statement of cash flows, consolidated net assets at fair value, consolidated total returns at fair value and consolidated net distributable cash flows of the Group in accordance with the accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Master Circulars. The respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for maintenance of adequate accounting records, for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Investment Manager of the Trust, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and entities included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager of the Trust;
- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Director of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

15. We also performed procedures in accordance with Regulation 13(2)(e) of the SEBI Regulations to the extent applicable.

Other Matter

16. We did not audit the financial statements of 7 subsidiaries, whose financial statements reflect total assets of ₹ 34,864.49 millions as at 31 March 2024, total revenues of ₹ 3,367.34 millions and net cash outflows amounting to ₹ 680.23 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Investment Manager of the Trust and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries,

are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. Based on our audit and on the consideration of the reports of the other auditors referred to in paragraph 16 above on separate financial statements of the subsidiaries and as required by the SEBI Regulations, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss (including Other comprehensive Income) are in agreement with the relevant books of account of the Trust; and

    c) in our opinion, the aforesaid consolidated financial statements comply with Ind AS.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 24507000BKDHOJ4436

Place: New Delhi
Date: 16 May 2024

Annexure 1

List of subsidiaries included in the Statement (in addition to the Trust)

a. Jodhpur Pali Expressway Private Limited ('JPEPL')
b. Godhra Expressways Private Limited ('GEPL')
c. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
d. Dewas Bhopal Corridor Private Limited ('DBCPL')
e. Shillong Expressway Private Limited ('SEPL')
f. Ulundurpet Expressways Private Limited ('UEPL')
g. Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f. 02 November 2023
h. Rewari Ateli Highway Private Limited ('RAHPL') (formerly, H.G. Rewari Ateli Highway Private Limited) w.e.f. 22 November 2023
i. Gurgaon Sohna Highway Private Limited ('GSHPL') w.e.f. 22 November 2023
j. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) ('ANHPL') w.e.f. 22 November 2023
k. Swarna Tollway Private Limited ('STPL') w.e.f. 24 January 2024
l. Gujarat Road And Infrastructure Company Limited ('GRICL') w.e.f. 24 January 2024

Consolidated Balance Sheet

as at March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	343.04	100.00
Capital work-in-progress	4	50.98	-
Goodwill	5A	-	-
Other intangible assets	5B	55,432.88	19,353.89
Financial assets			
Other financial assets	6	8,009.09	541.71
Deferred tax assets (net)	20	338.00	319.08
Non-current tax assets (net)	7	410.34	83.57
Other non-current assets	8	72.13	6.26
Total non-current assets		**64,656.46**	**20,404.51**
Current assets			
Financial assets			
Investments	9	5,027.36	648.60
Trade receivables	10	310.66	0.16
Cash and cash equivalents	11	1,254.38	349.11
Bank balances other than cash and cash equivalents above	12	8,231.56	1,546.58
Other financial assets	13	2,780.27	631.38
Other current assets	14	723.16	55.23
Total current assets		**18,327.39**	**3,231.06**
Total assets		**82,983.85**	**23,635.57**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	15	68,590.00	41,550.00
Other equity	16	(42,602.37)	(37,168.34)
Equity attributable to unit holders of the Trust		**25,987.63**	**4,381.66**
Non controlling interests		5,634.05	-
Total equity		**31,621.68**	**4,381.66**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	17	33,870.39	14,541.86
Other financial liabilities	18	1,587.31	1,556.83
Provisions	19	890.88	281.56
Deferred tax liabilities (net)	20	6,426.85	1,565.26
Other non current liabilities	21	31.88	-
Total non-current liabilities		**42,807.31**	**17,945.51**
Current liabilities			
Financial liabilities			
Borrowings	22	3,423.67	225.00
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	23	38.01	10.18
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	1,285.65	377.53
Other financial liabilities	24	1,108.22	227.12
Other current liabilities	25	291.83	43.11
Provisions	26	2,396.17	425.46
Current tax liabilities (net)	27	11.31	-
Total current liabilities		**8,554.86**	**1,308.40**
Total liabilities		**51,362.17**	**19,253.91**
Total equity and liabilities		**82,983.85**	**23,635.57**
Summary of material accounting policy information	2C		

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Income and gains			
Revenue from operations	28	14,127.92	6,152.35
Interest income from bank deposits		306.45	121.51
Profit on sale of assets/investments	28.1	124.16	126.04
Other income	29	115.30	31.17
Total income and gains		**14,673.83**	**6,431.07**
Expenses and losses			
Valuation expenses		3.12	2.40
Audit fees (statutory auditor of Trust)	33.1	25.21	17.38
Audit fees (auditor of subsidiaries)		6.18	5.64
Insurance and security expenses		40.07	45.66
Employee benefits expense	30	145.36	104.03
Project management fees	59	171.05	53.55
Investment manager fees	59	367.20	111.61
Management support services fee		-	247.43
Trustee fees		4.18	4.43
Depreciation on property, plant and equipment	3	34.35	26.96
Amortisation of intangible assets	5	2,176.01	1,139.01
Finance costs			
- Interest on term loan and non convertible debentures		2,236.07	1,743.11
- Other finance costs	31	416.13	447.48
Rating fee		18.97	2.35
Operation and maintenance		805.43	433.39
Corporate social responsibility	33.2	32.15	15.16
Provision for major maintenance obligation		1,424.15	416.39
Operating expenses	32	4,304.51	365.44
Independent consultancy and project monitoring fees		79.93	69.28
Legal and professional		419.32	152.55
Other expenses	33	75.69	63.34
Total expenses and losses		**12,785.08**	**5,466.59**
Profit before exceptional items and tax for the year		**1,888.75**	**964.48**
Exceptional items	34	(3,689.54)	-
Profit before tax for the year		**(1,800.79)**	**964.48**
Tax expense			
Current tax	36	452.22	225.67
Deferred tax	36	(243.02)	396.82
Total tax expense		**209.20**	**622.49**
Net (loss)/profit for the year		**(2,009.99)**	**341.99**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (losses)/gain on defined benefit obligations		(0.65)	0.90
Income tax relating to these items		(0.40)	-
Total other comprehensive (loss)/ income for the year (net of tax)		**(1.05)**	**0.90**
Total comprehensive (loss)/ income for the year		**(2,011.04)**	**342.89**
Net (loss)/profit for the year attributable to			
Unit holders of the Trust		(2,085.78)	341.99
Non-controlling interests		75.79	-
Other comprehensive (loss)/ income for the year attributable to			
Unit holders of the Trust		0.14	0.90
Non-controlling interests		(1.19)	-
Total comprehensive (loss)/income for the year attributable to			
Unit holders of the Trust		(2,085.64)	342.89
Non-controlling interests		74.60	-
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	37	(4.17)	0.82
Diluted (₹)	37	(4.17)	0.82
Summary of material accounting policy information	2C		

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities		
(Loss)/ Profit before tax for the year	**(1,800.79)**	**964.48**
Adjustments for:		
Depreciation on property, plant and equipment	34.35	26.96
Amortisation of intangible assets	2,176.01	1,139.01
Gain on sale of property, plant and equipment (net)	(0.77)	(0.02)
Gain on sale of investments (net)	(92.26)	(123.66)
Gain on investments carried at fair value through profit or loss (net)	(31.13)	(2.36)
Excess provisions written back	(50.22)	(9.15)
Bad debts written off	1.83	9.34
Impairment of intangible assets	587.81	-
Impairment of goodwill (refer note (ii) below)	3,101.73	-
Interest income from bank deposits	(306.45)	(121.51)
Finance cost		
Interest on term loan and non convertible debentures	2,236.07	1,743.11
Unwinding finance cost on deferred payment to National Highway Authority of India ('NHAI') for purchase of right to charge users of toll road	181.66	177.46
Unwinding of discount on provisions and financial liabilities carried at amortised cost	55.42	110.04
Unwinding of discount on provision for major maintainance	79.77	51.31
Finance and bank charges	84.82	103.61
Modification loss on financial liability	14.46	5.06
Modification (gain)/ loss on annuity	(41.19)	298.58
Operating profit before working capital changes and other adjustments	**6,231.12**	**4,372.26**
Working capital changes and other adjustments:		
Trade receivables	154.01	36.95
Other financial assets	2,448.03	621.00
Other assets	37.93	11.70
Trade payables	414.19	66.91
Provisions	(17.13)	102.03
Financial liabilities	(219.52)	72.32
Other liabilities	114.98	11.99
Cash flow from operating activities post working capital changes	**9,163.61**	**5,295.16**
Income tax paid (net of refund)	(637.05)	(267.30)
Net cash flow from operating activities (A)	**8,526.56**	**5,027.86**
B. Cash flows from investing activities		
Acquisition of a subsidiaries (refer note 51)	(29,712.93)	-
Acquisition of property, plant and equipments and capital work-in-progress	(91.04)	(13.34)
Proceeds from disposal of property plant and equipment	3.32	18.83
Investment in compulsarily convertible debentures ('CCD's)	-	(3,060.00)
Investment in preference shares	-	(545.10)
Proceeds from maturity of bank deposits	216.27	784.00
(Purchase)/ Redemption of current investments (net)	(3,892.73)	1,629.82
Net cash used in investing activities (B)	**(33,477.11)**	**(1,185.79)**

Consolidated Statement of Cash Flows for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
C.	**Cash flows from financing activities**		
	Proceeds from issuance of units	27,040.00	4,160.00
	Repayment of current borrowings	(16,645.82)	(112.50)
	Repayment of non-current borrowings	-	(14,300.60)
	Proceeds from commerical papers	2,559.13	-
	Proceeds from current borrowings	19,089.69	14,469.03
	Formation and issue expenses	(51.65)	(111.58)
	Processing fees paid	(158.74)	(118.90)
	Finance costs paid	(2,153.35)	(1,814.23)
	Distribution made to unit-holders	(4,953.52)	(6,030.00)
	Net cash flow from/(used) in financing activities (C)	**24,725.74**	**(3,858.78)**
D.	**Net decrease in cash and cash equivalent (A+B+C)**	**(224.81)**	**(16.71)**
E.	**Addition on account of business combination (refer note 51)**	**1,130.08**	**-**
F.	**Cash and cash equivalent at the beginning of the year**	**349.11**	**365.82**
	Cash and cash equivalent at the end of the year (D+E+F) (refer note 11)	**1,254.38**	**349.11**

Note: The above Consolidated Statement of Cash Flows for the year ended March 31, 2024 has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes form an integral part of the consolidated financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Consolidated Statement of Changes in Unit Holders' Equity

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

A Unit capital*

Particulars	Number of unit	Amount (in Mn)
Balance as at April 01, 2022	-	-
Units issued during the year	415,500,000	41,550.00
Balance as at March 31, 2023	**415,500,000**	**41,550.00**
Units issued during the year ^	331,385,834	27,040.00
Balance as at March 31, 2024	**746,885,834**	**68,590.00**

^Changes in unit capital represents 265,454,540 units issued by way of preferential allotment of units and 65,931,294 units by way of right issue of units.

B Other equity**

Particulars	Attributable to unit holders of the Trust								Total Attributable to unit holders of the Trust	Attributable to non -controlling interest	Total
	Units pending isssuance	Equity component of loan to related parties	Reserves and surplus								
			Securities premium reserve	Debenture redemption reserve	Capital reserve	Capital redemption reserve	Retained earnings	Amalgmation adjustment deficit account			
Balance as at April 01, 2022	**3,200.95**	**384.95**	**2,874.88**	**174.91**	**-**	**2.83**	**(6,249.66)**	**-**	**388.86**	**-**	**388.86**
Net profit for the year	-	-	-	-	-	-	341.99	-	341.99	-	341.99
Other comprehensive income for the year											
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	-	-	0.90	-	0.90	-	0.90
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**342.89**	**-**	**342.89**	**-**	**342.89**
Transfer from units pending issuance to acquisition adjustment account pursuant to common control business combinations (refer note 51A (b)(iii))	(3,200.95)	-	-	-		-	-	3,200.95	-	-	-
Amount paid to sponsor pursuant to business combinations (refer note 51A (b)(iii))	-	-	-	-	-	-	-	(31,715.33)	(31,715.33)	-	(31,715.33)
Formation and issue expenses^^	-	-	-	-	-	-	(111.58)	-	(111.58)	-	(111.58)
Transfer from security premium to retained earnings pursuant to capital reduction in DBCPL (refer note 55)	-	-	(600.09)	-	-	-	600.09	-	-	-	-
Transaction cost relating to buy back of preference shares of SEPL	-	-	-	-	-	-	(43.18)	-	(43.18)	-	(43.18)
Transfer from debenture redemption reserve in NBPL and DBCPL	-	-	-	(174.91)	-	-	174.91	-	-	-	-
Distributions to unit holders	-	-	-	-	-	-	(6,030.00)	-	(6,030.00)	-	(6,030.00)
Balance as at March 31, 2023	**-**	**384.95**	**2,274.79**	**-**	**-**	**2.83**	**(11,316.54)**	**(28,514.38)**	**(37,168.35)**	**-**	**(37,168.34)**

Consolidated Statement of Changes in Unit Holders' Equity for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	Attributable to unit holders of the Trust								Total Attributable to unit holders of the Trust	Attributable to non -controlling interest	Total
	Units pending isssuance	Equity component of loan to related parties	Reserves and surplus								
			Securities premium reserve	Debenture redemption reserve	Capital reserve	Capital redemption reserve	Retained earnings	Amalgmation adjustment deficit account			
Net profit for the year	-	-	-	-	-	-	(2,085.78)	-	(2,085.78)	75.79	(2,009.99)
Other comprehensive income for the year											
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	-	-	0.14	-	0.14	(1.19)	(1.05)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(2,085.64)**	**-**	**(2,085.64)**	**74.60**	**(2,011.04)**
Units issue expenses#	-	-	-	-	-	-	(51.65)	-	(51.65)	-	(51.65)
Transaction cost relating to buy back of preference shares of SEPL	-	-	-	-	-	-	(15.19)	-	(15.19)	-	(15.19)
Transfer from security premium to retained earnings pursuant to capital reduction in GEPL (refer note 55)	-	-	(1,500.00)	-	-	-	1,500.00	-	-	-	-
Add: Acquisition of subsidiaries (refer note 51)	-	-	-	-	1,671.99	-	-	-	1,671.99	5,559.44	7,231.43
Distributions to unit holders ^	-	-	-	-	-	-	(4,953.52)	-	(4,953.52)	-	(4,953.52)
Balance as at March 31, 2024	**-**	**384.95**	**774.79**	**-**	**1,671.99**	**2.83**	**(16,922.55)**	**(28,514.38)**	**(42,602.37)**	**5,634.05**	**(36,968.32)**

^Pertains to the distributions made during the financial year along with the distribution related to the last quarter of 2022-23 and does not include the distribution relating to the last quarter of 2023-24 which will be paid after March 31, 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

^^ Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust .

Unit issue expenses are expenses incurred in relation to the right issue and preferential issue of the Trust. (refer note 15(vi) and 15 (vii) for further details)

* refer note 15.

** refer note 16.

The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Consolidated Statement of Net Assets at Fair Value and Total Return at Fair Value

as at March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

A. Consolidated Statement of net assets at fair value

Particulars	As at March 31, 2024		As at March 31, 2023	
	Book value	Fair value#	Book value	Fair value#
A. Assets	82,983.85	115,072.95	23,635.57	58,191.84
B. Liabilities (at book value)	51,362.17	51,362.17	19,253.91	19,253.91
C. Net assets (A-B)	31,621.68	63,710.78	4,381.66	38,937.93
D. No of units (in Mn)	746.89	746.89	415.50	415.50
E. NAV (C/D)	42.34	85.30	10.55	93.71

Fair values of total assets relating to the Trust as at March 31, 2024 and March 31, 2023 as disclosed above are primarily based on the fair valuation report of the independent valuer appointed by the Trust under SEBI (Infrastructure Investment Trust) Regulations, 2014.

Project wise break up of fair value of assets as at March 31, 2024:

Particulars	Fair value** as at March 31, 2024	Fair value** as at March 31, 2023
Highways Infrastructure Trust	420.22	1,039.02
Shillong Expressways Private Limited (SEPL)	679.81	516.26
Ulunderpret Expressways Private Limited (UEPL)	4,967.19	5,491.57
Dewas Bhopal Corridor Private Limited (DBCPL)	17,283.49	15,883.37
Godhra Expressways Private Limited (GEPL)	25,666.73	25,630.72
Nirmal BOT Private Limited (NBPL)	1,219.24	1,136.37
Jodhpur Pali Expressways Private Limited (JPEPL)	6,229.29	8,494.53
Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f. November 02, 2023	10,562.15	-
Rewari Ateli Highway Private Limited ('RAHPL') (formerly, H.G. Rewari Ateli Highway Private Limited) w.e.f. 22 November 2023	2,791.60	-
Gurgaon Sohna Highway Private Limited ('GSHPL') w.e.f. November 22, 2023	3,297.92	-
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) ('ANHPL') w.e.f. November 22, 2023	5,379.31	-
Swarna Tollway Private Limited ('STPL') w.e.f. January 24, 2024	22,929.69	-
Gujarat Road And Infrastructure Company Limited ('GRICL') w.e.f. January 24, 2024	13,646.31	-
Total Assets	**115,072.95**	**58,191.84**

**Fair values of assets as disclosed above are the fair values of the total assets of the Group which are included in the Consolidated Financial Statements.

Consolidated Statement of Net Assets at Fair Value and Total Return at Fair Value as at March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

B. Statement of consolidated total return at fair value:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total comprehensive income for the year (As per the Consolidated Statement of Profit and Loss)	(2,011.04)	342.89
Add: Other changes in fair value for the year (refer note 1)	56,881.11	3,983.59
Total return	**54,870.07**	**4,326.48**

Note 1:

*In the above statement, other changes in fair value for the year ended March 31, 2024 for all SPVs has been computed based on the difference in fair values of total assets as at March 31, 2024 and as at March 31, 2023 which is primarily based on the valuation report of the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.

The accompanying notes form an integral part of the Consolidated financial statements.

This is the Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Return at Fair Value referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Statement of Net Distributable Cash Flows

for the year ended March 31, 2024
(All amounts in ₹ Mn unless otherwise stated)

Statement of Net Distributable Cash Flows

(i) Highways Infrastructure Trust

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Net Distributable Cash Flows of the Project Entities**		
	a) in the form of interest/accrued interest/additional interest	2,780.49	2,078.10
	b) in the form of dividend	8,456.67	1,893.32
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	2,409.40	3,264.77
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	75.74	294.45
2	Cash flows from additional borrowings (including debentures/other securities), fresh issuance of units, etc.	48,858.06	18,629.03
3	Any other income accruing at the Highways Infrastructure Trust ('Trust') and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest/return on surplus cash invested by the Highways Infrastructure Trust	110.34	42.75
	Total cash inflow at the InvIT level (A)	**62,690.70**	**26,202.42**
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(2,218.39)	(889.75)
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust.	(74.64)	(116.10)
6	Income tax (if applicable) for standalone Trust and/or payment of other statutory dues	(58.12)	(18.27)
7	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(377.66)	(112.50)
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(42.88)	(976.43)
9	Amount invested in any of the Project SPVs for service of debt or interest	(19,723.23)	(17,211.84)
10	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future	-	(146.33)
11	Investment including acquisition of other project SPV	(29,134.84)	-
	Total adjustments at the Trust level (B)	**(51,629.76)**	**(19,471.22)**
	Amount released/(retained) by Trust (C)	**196.58**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**11,257.52**	**6,731.20**

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

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit after tax as per Statement of Profit and Loss (A)**	**997.86**	**1,020.54**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	462.01	203.45
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	186.27	173.42

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.45)	0.05
	• deferred tax, lease rents, provisions, etc.	(29.37)	(177.84)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	133.96	42.22
5	Decrease in working capital	(7.38)	(15.74)
6	Gain on sale of investments	(15.70)	(45.53)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	-	2,814.94
8	Capital expenditure, if any	(7.56)	(1.25)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(2,853.41)
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	0.11	944.47
	Total adjustments at the Trust level (B)	**721.89**	**1,084.78**
	Net Distributable cash flows (C)=(A+B)	**1,719.75**	**2,105.32**

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

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(9.76)**	**(243.95)**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	134.87	126.47
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	2.01	1.97
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.91	(0.92)
	• deferred tax, lease rents, provisions, etc.	(9.98)	(11.75)
5	Decrease in working capital	(298.86)	(18.92)
6	Gain on sale of investments	(12.14)	(5.22)
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	476.00	389.41
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	27.00	1,158.30
9	Capital expenditure, if any	(0.14)	(0.51)

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
10	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(1,249.10)
11	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(180.43)	-
12	Payment of any other liabilities (not covered under working capital)	-	(5.18)
13	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	207.68	518.45
	Total adjustments at the Trust level (B)	**346.92**	**903.00**
	Net Distributable cash flows (C)=(A+B)	**337.16**	**659.05**

(iv) Jodhpur Pali Expressway Private Limited ("JPEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(545.05)**	**(527.30)**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	770.12	479.63
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	90.39	65.45
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.19)	0.87
	• deferred tax, lease rents, provisions, etc.	17.23	103.67
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	174.30	81.48
5	Decrease in working capital	(54.96)	(184.18)
6	Gain on sale of investments	(6.86)	(8.19)
7	Capital expenditure, if any	(20.74)	(7.70)
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(1,254.35)
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	1,506.19
10	Net proceeds (after applicable taxes) from sale of assets/investments adjusted for proceeds reinvested or planned to be reinvested.	19.56	-
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	5.85	120.01
	Total adjustments at the Trust level (B)	**993.70**	**902.87**
	Net Distributable cash flows (C)=(A+B)	**448.65**	**375.58**

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(322.66)**	**(630.19)**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	1,367.20	998.96
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	236.57	113.42
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.14)	0.39
	• deferred tax, lease rents, provisions, etc.	(21.94)	429.25
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	186.12	177.42
5	Increase/(Decrease) in working capital	10.31	(19.96)
6	Gain on sale of investments	(13.56)	(28.02)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	-	4,059.40
8	Capital expenditure, if any	(128.11)	(122.55)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(4,100.76)
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	52.44	850.64
	Total adjustments at the Trust level (B)	**1,687.89**	**2,358.19**
	Net Distributable cash flows (C)=(A+B)	**1,365.23**	**1,728.00**

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit/(Loss) after tax as per Statement of Profit and Loss (A)**	**221.90**	**(9.33)**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	93.55	218.10
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	901.50	811.42
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(11.48)	0.09
	• deferred tax, lease rents, provisions, etc.	0.89	(2.45)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	381.27	323.37
5	(Decrease)/increase in working capital	(129.85)	43.35
6	Gain on sale of investments	(23.80)	(39.65)

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
7	Net proceeds (after applicable taxes) from sale of assets/investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently.	27.48	17.43
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	-	2,699.29
9	Capital expenditure, if any	(1.90)	(1.83)
10	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(2,840.24)
11	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future	(194.41)	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	20.26	1,046.15
	Total adjustments at the Trust level (B)	**1,063.51**	**2,275.03**
	Net Distributable Cash Flows (C)=(A+B)	**1,285.41**	**2,265.70**

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit/(Loss) after tax as per Statement of Profit and Loss (A)**	**115.39**	**(82.03)**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Trust, as per profit and loss account	9.12	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	0.35	0.29
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.48)	0.12
	• deferred tax, lease rents, provisions, etc.	(4.26)	(47.21)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	-	26.66
5	Decrease in working capital	(530.09)	(36.92)
6	(Loss)/gain on sale of investments	3.59	(9.11)
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	497.40	497.40
8	Capital expenditure, if any	(0.19)	(0.06)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	(702.33)
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	186.03	750.16
	Total adjustments at the Trust level (B)	**161.56**	**479.01**
	Net Distributable cash flows (C)=(A+B)	**276.95**	**396.98**

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(viii) Swarna Tollway Private Limited ("STPL")(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit after tax as per Statement of Profit and Loss (A)**	**453.08**	**-**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	6.88	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	61.70	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(6.85)	-
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	86.18	
	• deferred tax, lease rents, provisions, etc.	(102.80)	-
5	Decrease in working capital	(354.58)	-
6	Gain on sale of investments	44.56	-
7	Capital expenditure, if any	(0.67)	-
8	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future	(307.23)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	4,281.02	-
	Total adjustments at the Trust level (B)	**3,708.21**	**-**
	Net Distributable cash flows (C)=(A+B)	**4,161.29**	**-**

(ix) Ateli Narnaul Highway Private Limited ("ANHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit after tax as per Statement of Profit and Loss (A)**	**36.79**	**-**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	20.15	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	0.13	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		-
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(2.02)	-
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	22.50	
	• deferred tax, lease rents, provisions, etc.	(23.40)	-
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	(3.87)	

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
5	Increase in working capital	303.27	-
6	Gain on sale of investments	(0.64)	-
7	Capital expenditure, if any	(0.66)	-
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(1.39)	
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	494.60	-
	Total adjustments at the Trust level (B)	**808.66**	**-**
	Net Distributable cash flows (C)=(A+B)	**845.45**	**-**

(x) Rewari Ateli Highway Private Limited ("RAHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(6.73)**	**-**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	77.82	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	0.01	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.16)	-
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	14.33	
	• deferred tax, lease rents, provisions, etc.	(23.88)	-
5	Increase in working capital	128.67	-
6	Gain on sale of investments	(2.12)	-
7	Capital expenditure, if any	(0.16)	-
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(59.96)	
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	290.67	-
	Total adjustments at the Trust level (B)	**425.22**	**-**
	Net Distributable cash flows (C)=(A+B)	**418.49**	**-**

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xi) Gurgaon Sohna Highway Private Limited ("GSHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(133.19)**	**-**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	88.61	-
3	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.97)	-
	• deferred tax, lease rents, provisions, etc.	75.54	-
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	55.24	
4	Increase in working capital	156.37	-
5	Gain on sale of investments	(0.96)	-
6	Capital expenditure, if any	(0.32)	-
7	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	340.27	-
	Total adjustments at the Trust level (B)	**713.80**	**-**
	Less : Amount retained by SPV as per SEBI guidelines (C)	**(56.55)**	
	Net Distributable cash flows (C)=(A+B+C)	**524.06**	**-**

(xii) Gujarat Road And Infrastructure Company Limited ('GRICL')(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit after tax as per Statement of Profit and Loss (A)**	**172.10**	**-**
	Adjustments:		
2	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account	95.73	-
3	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to	-	-
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	(3.29)	
	• deferred tax, lease rents, provisions, etc.	2.49	-
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	263.57	
4	Increase in working capital	125.91	-
5	Gain on sale of investments	(47.52)	-
6	Capital expenditure, if any	(23.26)	-
7	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(409.93)	-
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(125.00)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	4,233.20	-
	Total adjustments at the Trust level (B)	**4,111.91**	**-**
	Amount kept aside as per SEBI guidelines (C)	**333.98**	**-**
	Net Distributable cash flows pertaining to Non controlling interests (D)	**1,706.41**	**-**
	Net Distributable cash flows (E)=(A+B+C-D)	**2,243.62**	**-**

Statement of Net Distributable Cash Flows
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xiii) Udupi Tollway Private Limited ('UTPL')(subsidiary w.e.f 02 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Loss after tax as per Statement of Profit and Loss (A)**	**(1,281.54)**	**-**
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	443.44	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account	205.93	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to		-
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.14)	-
5	Increase in working capital	366.68	-
6	Gain on sale of investments	(1.79)	-
7	Amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	243.99	-
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	8,213.14	-
9	Capital expenditure, if any	(47.44)	-
10	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(8,223.14)	-
11	Payment of any other liabilities (not covered under working capital)	48.12	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	129.23	-
	Total adjustments at the Trust level (B)	**1,378.03**	**-**
	Net Distributable cash flows (C)=(A+B)	**96.49**	**-**

The accompanying notes form an integral part of the Consolidated financial statements.

This is the Consolidated Statement of Net Distributable Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Summary of material accounting policy information and other explanatory information

for the year ended March 31, 2024

(All amounts in ₹ Mn unless otherwise stated)

Further during the current year ended March 31, 2024, persuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(i) Highways Infrastructure Trust

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cashflows from operating activities of the Trust**	**(527.61)**	**(130.14)**
2	Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	13,722.29	7,530.63
3	Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	110.34	42.75
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,823.54)	(692.06)
5	Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units)	(377.66)	(112.50)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(42.88)	339.93
	Total adjustments at the Trust level (B)	**11,060.94**	**6,978.61**
	Amount released/(retained) by Trust (C)	**196.58**	**(247.42)**
	Net Distributable cash flows (D)=(A+B+C)	**11,257.52**	**6,731.20**

Notes:

1. Out of the Initial issuance of ₹ 4,160 Mn in August 2022, ₹ 415.85 Mn and ₹ 138.50 Mn was for General Corproate purpose ('GCP') and issuance expenses respectievely. Unit Capital received for GCP was utilised towards debt servicing (interest and debt repayment) and other miscelleanous expenses. However, while computation of NDCF, these expenses were considerd at actual cost incurred (expenses/cash outflow shown at gross level and not adjusted to the extent of GCP fund received) and ₹ 415.85 Mn of GCP amount were added into reserves created, resulting in nil impact on NDCF.

   Further, out of funds received for Issue expenses amounting to ₹ 138.50 Mn, ₹ 111.58 Mn was incurred, however same was not included in finance cost in profit and loss statement as it was a capital expenditure and thus adjusted against other equity.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

2. As at March 31, 2023, fixed deposits for Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA) as per facility agreement was ₹ 926.13 Mn. This has shown as reserves created in NDCF working for financial year ended March 31, 2023 as per prevailing NDCF methodology and further, borrowing from lenders for MMRA and DSRA was shown as borrowing in NDCF. However, as per the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosued above as additional information), this reserves will not be routed through NDCF for financial year ended March 31, 2023. Total MMRA and DSRA reserves amouting to ₹ 926.13 Mn forms part of closing fixed deposit balance as on March 31, 2023 and was kept seperately in fixed deposits with bank.
3. During the financial year ended March 31, 2023, fixed deposits of ₹ 50.30 Mn was created for Bank guarantee ('BG') from internal accruals. Hence, this amount was reduced while computation of NDCF. However, this will be available for distribution once this BG will be withdrawn.
4. Reserves of ₹ 50.30 Mn created for bank guarantee (as mentioned in point 3) as at March 31, 2023, was released during the current year ended March 31, 2024 and was utilised for NDCF for the current financial year ended March 31, 2024. Total reserves relased for the financial year ended March 31, 2024 is ₹ 196.63 Mn. (reserves created as on March 31, 2023 amounting to ₹ 146.33 including releasae of bank guarantee amounting to ₹ 50.30 Mn).
5. During the financial year ended March 31, 2024, additional deposit into DSRA from internal accrual is ₹ 42.88 Mn. This was captured under reserves created and resulted in lower NDCF.
6. During the financial year ended March 31, 2024, Trust has funded ₹ 312.5 Mn, ₹ 400.66 Mn, ₹ 245.79 Mn and ₹ 520.00 Mn to UEPL, SEPL, NBPL and STPL respectively for Major Maintenance (MM) expense purpose. This was provided by external lender to Highways Infrastructure Trust ('Trust') for Major Maintenance purpose. Under the NDCF framework adopted by Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF at SPV level and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the revised NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosued above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows at SPV level. Accordingly, to ensure such reduction is reflected, ₹ 599.79 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).
7. As on date of acquisition of UTPL on 01 November 2023, the outstanding creditor pertaining MM which is payable to erstwhile shareholder, amounted to ₹ 235.37 Mn. This was more than unrestricted cash and bank balance (including investment) of ₹ 55.57 Mn available as on the same date. Hence, UTPL borrowed fund from Trust to payoff opening creditors (this transaction took place on 02 November 2023, after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be reduced by ₹ 458.54 Mn. Accordingly, to ensure such reduction is reflected, ₹ 458.54 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

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

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,702.18**	**1,287.78**
2	Add : Opening cash and cash balance	143.30	1,087.77
3	Add: Treasury income/income from investing activities	27.03	58.58
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(2.02)	(145.80)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(38.47)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(142.21)	(143.30)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(7.56)	(1.25)
	Total adjustments at the Trust level (B)	**18.53**	**817.53**
	Less: Amount kept aside as per SEBI guideline (C)	**(0.96)**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**1,719.75**	**2,105.32**

Notes:

1. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended on March 31, 2023) is as per audited financials for financial year ended on 31 March 2022. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual fund units, accrued interest on fixed deposits etc. ₹1087.77 Mn. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
2. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended on March 31, 2024) is as per audited financials for financial year ended on March 31, 2023. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual funds units, accrued interest on fixed deposit etc. ₹ 148.37 Mn. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.
3. Reserves include amount of unspent Corporate Social Responsibility (CSR) balance for the year deposited in a separate account as per the requirements of the Companies Act, 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
4. Reserves were kept in financial year ended on March 31, 2023, as per old NDCF format which will be available for distribution for financial year ended on March 31, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

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

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**266.00**	**352.83**
	Add : Opening cash and cash balance	54.13	566.51
2	Add: Treasury income/income from investing activities	17.18	24.10
3	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.00)	(138.94)
4	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(90.80)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.14)	(0.51)
	Total adjustments at the Trust level (B)	**71.17**	**360.35**
	Amount kept aside as per SEBI guideline (C)	**-**	**(54.13)**
	Net Distributable cash flows (D)=(A+B+C)	**337.17**	**659.05**

Notes:

1. During the current year ended March 31, 2024, NBPL has received unsecured loan amounting to ₹ 245.79 Mn for MM work from Trust. This was provided by external lender to Highways Infrastructure Trust ('Trust') for MM purpose and in turn, HIT has funded to SPVs for MM. Under the NDCF framework adopted by HIT prior to revised NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosued above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows. Accordingly, to ensure such reduction is reflected, ₹ 88.30 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. As per IndAS 115, MM expenses charged to profit and loss account in the year of incurrence. Cash flow from operating activities as per cash flow statement is after charging MM expenses amounting to ₹ 266.00 Mn incurred during the year. Out of the total loan amount, untilised loan amounting to ₹ 180 Mn has been invested in mutual fund.

   During the year, the above SPV has received ₹ 245.79 Mn as loan for MM work which does not form part of NDCF as per revised framework. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to external lenders subject to their consent on such repayment.

3. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended March 31, 2023) is as per audited financials for financial year ended 31 March 2022 ₹ 566.51 Mn. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

   Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended March 31, 2024) is as per audited financials for financial year ended March 31, 2023. Opening cash as on 01 April 2023, as per audited financial was ₹ 61.13 Mn (including investment). Out of this ₹ 10.00 Mn pertaining to quarter 4 of financial year ended on March 31, 2023 was distributed in the quarter 1 of financial year ended March 31, 2024. Balance cash after distibution was ₹ 51.13 Mn and same is disclosed as opening cash balance in NDCF calculation and used for distribution. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

4. SPV has already distributed ₹ 397.02 Mn for the period 01 April 2023 to 31 December 2023 which was based on assumption that MM expenses funded through MM loan will not be deducted while computation of cash flow from operating activities. Thus NDCF for the reporting period was higher to that extent. After clarifiaction received from SEBI regarding repayment of loan taken for MM expenses in the last week of March 2023, distribution is being restricted.
5. Reserves were kept in financial year ended March 31, 2023 as per old NDCF format which will be available for distribution for financial year ended March 31, 2024.

(iv) Jodhpur Pali Expressway Private Limited ('JPEPL')

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**444.57**	**219.04**
2	Add: Opening cash and bank balance	5.85	208.08
3	Add: Treasury income/income from investing activities	19.57	12.10
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.59)	(208.40)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(93.16)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(5.85)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(20.74)	(7.70)
8	Add: Major maintenance Cost (funded from unsecured facility taken from HIT)which has been adjusted from cash flow from operating activities	-	251.47
	Total adjustments at the Trust level (B)	**4.09**	**156.53**
	Net Distributable cash flows (C)=(A+B)	**448.66**	**375.57**

Note:

1. During the previous year, JPEPL has received unsecured loan amounting to ₹ 350.00 Mn from Trust for Major Maintenace (MM) work. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to external lenders subject to their consent on such repayment.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

2. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended March 31, 2023) is as per audited financials for the year ended 31 March 2022. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual fund units, accrued interest on fixed deposits etc amounting to ₹ 5.08 Mn. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

   Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended March 31, 2024) is as per audited financials for financial year ended March 31, 2023. This has been adjusted to the extent of unspent amount of MM loan amounitng to ₹ 98.53 Mn. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

3. Repayment of debt (in form of OCD) refinanced by infusion of Rupee Term Loan ('RTL') from HIT was excluded from above NDCF working. This is as per as per revised framework for computation of NDCF as prescribed by SEBI.

4. Reserves were kept in financial year ended March 31, 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended March 31, 2024.

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,427.40**	**1,195.65**
2	Add : Opening cash and bank balance	52.43	850.58
3	Add: Treasury income/income from investing activities	14.21	37.88
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.73)	(191.36)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(41.36)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(128.13)	(123.39)
	Total adjustments at the Trust level (B)	**(62.21)**	**532.35**
	Net Distributable cash flows (C)=(A+B)	**1,365.19**	**1,728.00**

Note:

1. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended March 31, 2023) is as per audited financials for FY 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

   Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended March 31, 2024) is as per audited financials for financial year ended March 31, 2023. Opening cash (including investments) as on 01 April 2023, as per audited financial was ₹ 71.08 Mn. Out of this ₹ 18.65 Mn pertaining to distribution for quarter 4 of financial year ended March 31, 2023 and upstream during quarter 1 of financial year ended March 31, 2024. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

2. Repayment of debt (in form of OCD) refinanced by infusion of RTL from HIT was excluded from above NDCF working. This is as per as per revised framework for computation of NDCF as prescribed by SEBI.

3. Reserves were kept in financial year ended March 31, 2023 NDCF as per old NDCF format which will be available for distribution for financial year ended March 31, 2024.

4. Capital expenditure includes premium in form of additional concession fees paid to NHAI.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**1,434.49**	**1,422.21**
2	Add : Opening cash and bank balance	20.26	1,135.87
3	Add: Treasury income/income from investing activities	27.48	85.75
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.51)	(145.09)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(210.95)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(194.42)	(20.26)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(1.90)	(1.83)
	Total adjustments at the Trust level (B)	**(149.09)**	**843.49**
	Net Distributable cash flows (C)=(A+B)	**1,285.40**	**2,265.70**

Note:

1. During the current year ended March 31, 2024, UEPL has received unsecured loan amounting ₹ 312.5 Mn for the purspose the Major Maintenance ('MM') work (in addition to ₹70 Mn received for MM purpose in financial year ended March 31, 2023), however, the same has not been utilised for MM work as on March 31, 2024 and entire ₹ 382.5 Mn is available under cash and bank balance (including investment). This surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to HIT (and such repayment will not be considered to be part of NDCF).
2. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended March 31, 2023) is as per audited financials for financial year ended 31 March 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

   Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended March 31, 2024) is as per audited financials for financial year ended March 31, 2023. Opening cash as on 01 April 2023, as per audited financials was ₹ 460.59 Mn (including investment). Out of this , sum of ₹ 370.87 Mn pertaining to Q4 of financial year ended March 31, 2023 was distributed in the Q1 of financial year ended March 31, 2024. Loan taken for MM during previous year is also reduced from opening cash and bank balance. Balance cash remaining after distribution was ₹89.72 Mn and same is disclosed as opening cash balance for NDCF calculation. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

3. As per calculation of NDCF under revised method, there should be distribution to extent of ₹ 1,479.81 Mn (before creation of reserve amounting to ₹ 194.42 Mn). However, due to lack of avenues for distribution such as negative free reserve under Companies Act, 2013 and lower debt from Invit, UEPL will not be able to meet requirement of minimum 90% distribution. On Account of this, cash available for distribution will remain trapped and will be shown as reserves. Please note that Company has commenced the capital reduction process for upstreaming such sums, which is currently pending before NCLAT.
4. Reserves were kept in financial year ended March 31, 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended March 31, 2024.

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**76.73**	**602.02**
2	Add : Opening cash and bank balance	186.03	674.21
3	Add: Treasury income/income from investing activities	14.78	18.91
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust,	(0.49)	(9.73)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(702.32)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(186.03)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.19)	(0.06)
	Total adjustments at the Trust level (B)	**200.14**	**(205.04)**
	Net Distributable cash flows (C)=(A+B)	**276.87**	**396.98**

Note:

1. During the current year ended March 31, 2024, SEPL has received ₹ 400.66 Mn as loan for Major Maintenace work. This was provided by external lender to Highways Infrastructure Trust ('Trust') for MM purpose and in turn, HIT has funded to SEPL for MM. Under the NDCF framework adopted by HIT prior to revised NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosued above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows. Accordingly, to ensure such reduction is reflected, ₹ 53.97 Mn has been reduced from NDCF at the InvIT level.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. As per IndAS 115, Major Maintenance (MM) expenses charged to profit and loss account in the year of incurrence. Cash flow from operating activities as per Cash Flow Statement is after MM expenses (₹ 359.00 Mn) incurred during the year. Please note that the loan received from HIT for Major Maintenance expenses was ₹ 400.66 Mn. MM expense paid for financial year ended March 31, 2024 is ₹ 288.22 Mn. The balance loan received for MM (₹ 112.44 Mn) kept seperately in form of investments.

   During the year, SEPL has received ₹ 400.66 Mn as loan for Major Maintenace (MM) work which does not form part of NDCF as per revised framework. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to External lenders subject to their consent on such repayment.

3. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended March 31, 2023) is as per audited financials for financial year ended 31 March 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

   Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended March 31, 2024) is as per audited financials for financial year ended March 31, 2023. Opening cash as on 01 April 2023, as per audited financial was ₹ 310.46 Mn (including investment). Out of this ₹ 124.43 Mn pertaining to quarter 4 of financial year ended March 31, 2023 was distributed in the quarter 1 of financial year ended March 31, 2024. Balance cash after distibution was ₹ 186.03 Mn. and same is disclosed as opening cash balance in NDCF calculation and used for distribution. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

4. Reserves were kept in financial year ended March 31, 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended March 31, 2024.

(viii) Swarna Tollway Private Limited ("STPL")(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**113.36**	**-**
2	Add : Opening cash and bank balance	4,281.02	-
3	Add: Treasury income/income from investing activities	95.04	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(20.22)	-
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.67)	-
	Total adjustments at the Trust level (B)	**4,355.17**	**-**
	Amount kept aside as per SEBI guideline (C)	**(307.23)**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**4,161.30**	**-**

Note:

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of STPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI. Opening cash as on 24th January 2024, as per audited financial statements was ₹ 4281.02 Mn (including investments) excluding accrued interest on fixed deposits.

2. During the year, STPL has received ₹ 520 Mn as Loan for MM, however, same has not been applied for MM work and as on 31 March, 2024, ₹ 520 Mn is available under Cash and bank balance (including Investment). Such surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to HIT (and such repayment will not be considered to be part of NDCF).

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

3. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
4. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

(ix) Ateli Narnaul Highway Private Limited ("ANHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**439.88**	**-**
2	Add : Opening cash and cash balance	554.60	-
3	Add: Treasury income/income from investing activities	4.52	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(91.50)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(1.39)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations;	(2.23)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.66)	-
	Total adjustments at the Trust level (B)	**463.33**	**-**
	Amount kept aside as per SEBI guideliness (C)	**(57.77)**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**845.45**	**-**

Note:

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of ANHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
2. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
3. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(x) Rewari Ateli Highway Private Limited ("RAHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**212.08**	**-**
2	Add : Opening cash and cash balance	336.68	-
3	Add: Treasury income/income from investing activities	9.08	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(33.21)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(59.96)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(0.71)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.16)	-
	Total adjustments at the Trust level (B)	**251.72**	**-**
	Amount kept aside as per SEBI guideliness (C)	**(45.30)**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**418.49**	**-**

Note:

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of RAHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
2. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
3. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xi) Gurgaon Sohna Highway Private Limited ("GSHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**279.79**	**-**
2	Opening cash and bank balance	342.20	-
3	Add: Treasury income/income from investing activities	2.14	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(41.27)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(1.93)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.32)	-
	Total adjustments at the Trust level (B)	**300.82**	**-**
	Amount kept aside as per SEBI guideliness (C)	**(56.55)**	**-**
	Net Distributable cash flows (D)=(A+B+C)	**524.06**	**-**

Note:

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of GSHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
2. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI
3. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xii) Gujarat Road And Infrastructure Company Limited ('GRICL')(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**627.60**	**-**
2	Add : Opening cash and cash balance	4,233.20	-
3	Add: Treasury income/income from investing activities	10.25	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(28.86)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(125.00)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(409.93)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(23.26)	-
	Total adjustments at the Trust level (B)	**3,656.40**	**-**
	Amount kept aside as per SEBI guideliness (C)	**333.98**	**-**
	Net Distributable cash flows pertaining to Non controlling interests (D)	**1,706.41**	
	Net Distributable cash flows (E)=(A+B-C-D)	**2,243.62**	**-**

Note :

1) Amount reflected in opening cash and bank balance (including investment) as on acquisition date of GRICL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI

2) Reserves include amount of unspent CSR balance for the year ended March 31, 2024, deposited in a separate account as per Companies Act which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xiii) Udupi Tollway Private Limited ('UTPL')(subsidiary w.e.f 02 November 2023)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Cash flow from operating activities as per Cash Flow Statement (A)**	**182.18**	**-**
2	Add : Opening cash and cash balance	299.55	-
3	Add: Treasury income/income from investing activities	7.56	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(213.79)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(131.57)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(47.44)	-
	Total adjustments at the Trust level (B)	**(85.69)**	**-**
	Net Distributable cash flows (C)=(A+B)	**96.49**	**-**

Note:

1. As on date of acquisition (01 November 2023), the outstanding creditor pertaining to Major Maintenace (payable to erstwhile shareholder) was ₹ 235.37 Mn. This was more than unrestricted cash and Bank balance (including investment) of ₹ 55.57 Mn available as on the same date. Hence, UTPL borrowed from HIT to payoff opening creditors (This transaction took place on 02 November 2023 - one day after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be lower by 458.54 Mn. Accordingly, to ensure such reduction is reflected, ₹ 458.54 Mn has been reduced from NDCF at the InvIT level.

   The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. Further, UTPL has received ₹ 186.7 Mn as loan for Major Maintenace (MM) work in Q4 FY 2024. This was provided by external lender to Highways Infrastructure Trust ('Trust') for MM purpose and in turn, HIT has funded to the UTPL for MM. Prior to clarification from SEBI in March 2024, any MM expense out of loan taken for such MM purpose (Capex) was kept out of NDCF working. However, based on the new NDCF framework which was adopted by Board of Highway Concessions One Private Limited (Investment Manager) of HIT on 22 March 2024, we have recomputed the NDCF without adding back funding for MM expenses. Basis recomputation, it was observed that distribution by the UTPL to HIT was more than such recomputed NDCF till March 2024 by ₹ 458.54 Mn. Since the actual distribution to unitholders for Q4 FY2024 at InvIT level is computed using YTD basis as per new NDCF framework, actual NDCF and distribution to Unitholder thereof at InvIT level already considers the impact of such excess distribution. Considering above points, ₹ 458.54 Mn will be hold back at InvIT level to ensure that there is no extra distribution at InvIT level.

Summary of material accounting policy information and other explanatory information

for the year ended March 31, 2024

1. Group Information

The consolidated financial statements comprise financial statements of Highways Infrastructure Trust ("the Trust") and its subsidiaries (collectively, the Group) for the year ended March 31, 2024. The Trust is an irrevocable trust settled under directions from Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations and Trust got it units listed on National Stock Exchange of India ("NSE") w.e.f. 25 August 2022. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager Private Limited till November 22 2022 and with effect from November 23 2022 the same is Highway Concessions One Private Limited (the "Investment Manager").

The objectives of the Trust are to undertake activities as an infrastructure investment trust in accordance with the provisions of the SEBI Regulations and the Trust Deed. The principal activity of the Trust is to own and invest in the road sector in India. All the road projects are implemented and held through special purpose vehicles ("SPVs/Project SPVs/ subsidiaries").

During the current year ended March 31, 2024, the Trust acquired equity control in 1 Project SPV effective from November 02 2023, followed by 3 Project SPVs on November 22 2023, and 2 Project SPVs on January 24 2024. In the previous year the Trust acquired 100% equity control in 6 Project SPVs from the Sponsor effective 23 August 2022. The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) or Hybrid Annuity Model (HAM) national or state highways in various locations.

Name of Project SPV	Extent of Control as at March 31, 2024	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	22 August 2022	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	22 August 2022	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	22 August 2022	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	22 August 2022	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	22 August 2022	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited)	100%	22 August 2022	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

Name of Project SPV	Extent of Control as at March 31, 2024	Date of acquisition	Date of incorporation	Principal place of business	Commencement of operation	Authority
Udupi Tollway Private Limited ('UTPL') formerly known as Navayuga Udupi Tollway Private Limited)	100%	01 November 2023	04 December 2009	Karnataka	30 January 2017	National Highways Authority of India (NHAI)
Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited)	100%	21 November 2023	08 April 2019	Haryana	15 November 2021	National Highways Authority of India (NHAI)
Gurgaon Sohna Highway Private Limited ('GSHPL')	100%	21 November 2023	06 April 2018	Haryana	25 February 2022	National Highways Authority of India (NHAI)
Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited)	100%	21 November 2023	04 April 2019	Haryana	11 March 2022	National Highways Authority of India (NHAI)
Swarna Tollway Private Limited ('STPL')	100%	24 January 2024	11 May 2001	Andhra Pradesh	21 May 2004 and 12 September 2004	National Highways Authority of India (NHAI)
Gujarat Road And Infrastructure Company Limited ('GRICL')	56.8%	24 January 2024	02 June 1999	Gujarat	24 October 2000 and 20 February 2003	Government of Gujarat (GOG)

The address of the registered office of the Investment Manager is Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Vidyanagari, Mumbai, Maharashtra, India, 400098. The consolidated financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on May 16 2024.

2. (A) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01 2024.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01 2023. The Trust has applied for the first-time these amendments.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

rise to equal taxable and deductible temporary differences such as leases.

The Trust doesn't have any leases, hence no deferred tax on leases was recognised previously by the Trust in the standalone financial statements.

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(C) Summary of material accounting policy information

a) Overall consideration

The consolidated financial statements have been prepared using the material accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

i) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI Regulations") including SEBI master circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06 2023 (hereinafter referred to as 'SEBI Master Circular"). The Group has uniformly applied the accounting policies during the periods presented.

The Consolidated financial statements are presented in India Rupees which is also the functional currency of the Group and all values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The Consolidated Financial Statements for the year ended March 31, 2024 were authorised and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on May 16 2024. The revision to the consolidated financial statements is permitted by the Board of Directors of Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities.

ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at March 31, 2024. Control is achieved when the Group has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

iii) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

- **Revenue recognition - Applicability of service concession agreement accounting**

  Appendix C "Service concession arrangements" applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

  More specifically, it applies to public to private service concession arrangement if the grantor:

  - Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
  - Controls through ownership or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement.

  The subsidiary – Shillong Expressway Private Limited ("SEPL") , Nirmal Bot Private Limited ("NBPL"), Ateli Narnaul Highway Private Limited (formerly known as H.G. Ateli Narnaul Highway Private Limited) ('ANHPL'), Gurgaon Sohna Highway Private Limited ('GSHPL') and Rewari Ateli Highway Private Limited ('RAHPL') (formerly, H.G. Rewari Ateli Highway Private Limited) have the right to receive fixed annuity payments from NHAI during the concession period and have adopted 'Financial Asset Model'.

  Accounting under "Financial Asset Model" involves extensive use of estimates. The Group has allocated the contract revenues into distinct individual performance obligations i.e. Construction, operation and maintenance based on their relative stand-alone selling prices which are derived by as per amount estimated by the management of subsidiary on actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a "Financial asset" at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

- **Provisions and liabilities**

  Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

- **Provision for major maintenance obligation**

  The operating and maintenance cost includes routine, periodic/major maintenance, manpower costs and operational expenses, including, but not limited to, road and site work expenses, employee benefit expenses and other operating and maintenance costs. The provision for potential periodic / major maintenance cost is created based on the estimates provided by the management and the same is adjusted for actual expenditures in the year of occurrence.

- **Useful lives of depreciable/amortisable assets**

  Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

- **Defined benefit obligations (DBO)**

  Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Recognition of deferred tax assets**

  The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

- **Recoverability of advances/ receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

- **Contingent liabilities**

  The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of intangible assets are disclosed in the notes to consolidated financial statements.

- **Impairment of intangible assets**

  Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

- **Income taxes**

  The Groups tax jurisdiction is in India. Significant judgements are involved in

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognised is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilised.

- **Fair valuation and disclosures**

  SEBI Master Circular issued under the SEBI Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Weighted average cost of capital ('WACC'), tax rates, inflation rates etc. Changes in assumptions about these factors could affect the fair value.

b) Business combination (refer note 51)

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The purchase price in an acquisition is measured at the fair value of the assets transferred and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

Goodwill is measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity transfers the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to Amalgamation Adjustment Deficit Account.

c) Basis of classification as current and non-current

The Group presents assets and liabilities in the Consolidated balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d) Revenue recognition

To determine whether to recognise revenue, the Project SPV Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties.

The consideration promised include fixed amounts, variable amounts, or both.

The specific recognition criteria described below must also be met before revenue is recognised.

Toll Collections

Toll collections from the users of the infrastructure facility constructed by the Group under the Service Concession Arrangement is accounted for based on actual collection. Revenue from electronic toll collection is recognised on accrual basis.

Claims with National Highways Authority of India ('NHAI')

Claims with NHAI and other Government Authorities are accounted as revenue as and when it becomes probable that such claims will be received and which can be measured reliably.

Contract revenue (Construction contracts)

Contract revenue associated with the construction of road is recognised at cost of work performed on the contract plus proportionate margin, where required, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the statement of profit or loss in the period in which the change is made and in subsequent periods.

Contract cost include costs that relate directly to the specific contract and allocated cost that are attributable to the construction of the road.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

Rendering of services

Revenue from major maintenance obligation and regular operation and maintenance is measured using the percentage of completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognised net of taxes.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Other operating income/other income

All other operating income/income is recognised on accrual basis when no significant uncertainty exists on their receipt.

e) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Group and the same taxation authority.

Minimum Alternate Tax (MAT)

MAT paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and recognise when the Group will pay normal income tax during the specified period. MAT credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. The net amount of tax recoverable from, or payable to, the taxation

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

authority is included as part of receivables or payables in the balance sheet.

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

f) Property, plant and equipment (PPE)

Property, plant and equipment and capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Depreciation on PPE held by UEPL, SEPL, JPEPL, GEPL, NBPL, ANHPL, RAHPL, GSHPL, STPL and GRICIL is calculated on a straight-line basis over the estimated useful lives of the respective assets as prescribed in the Schedule II of the Act

Depreciation on PPE held by NUTPL and DBCPL is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 ("the Act").

The Group has estimated the following useful lives for its tangible fixed assets:

Assets class	Useful life
Building	25 years
Plant and equipment	7 year - 15 years
Furniture & fixtures	8 year - 10 years
Vehicles	8 year - 10 years
Office equipments	3 year - 10 years
Computers	3 year - 5 years

Depreciation on additions/ (disposals) during the year is provided on a pro-rata basis i.e., from the date on which asset is ready for use and up to the date on which the asset is disposed of/ fully depreciated.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

On transition to Ind AS, the Project SPV Group exercised first time adoption under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the Special Purpose Combined Financial Statements as at the date of transition (i.e. April 01 2015 for all SPVs other than DBCPL and April 01 2018 for DBCPL) measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

Accounting of intangible assets under Service Concession agreement

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project undertaken by the Group. Toll collection rights are capitalised as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India authorities, if any. Till the completion

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

of the project, the same is recognised under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalised as part of cost of the intangible assets. Intangible assets that not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development.

Other intangible assets

Other intangible assets comprise of cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are derecognised when no future economic benefits are expected from use or disposal.

Amortisation of intangible assets

Toll collection rights in respect of road projects are amortised over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Toll collection rights in respect of road projects commissioned after April 01 2016 are amortised over the useful economic life using the straight-line method. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the statement of profit and loss.

Specialised software held by the Group is amortised over a period of six years on straight line basis from the month in which the addition is made.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

h) Financial asset under Service Concession Agreement

Under the arrangement, the SPV recognises a financial asset arising from service concession agreement as it has an unconditional right to receive cash from grantor (NHAI/State authorities) for the construction service, major maintenance obligations and regular operation and maintenance services over the concession period. Such financial asset is measured at fair value on initial recognition and classified under the head "Other Financial Assets". Subsequent to initial recognition, the financial asset is measured at amortised cost. Under this model, the financial asset will be reduced as and when grant is received from Grantor (NHAI/State authorities).

As per the salient feature of the arrangement, the operator has a two-fold activity based on which revenue is recognised in the financial statements in line with the requirement of Appendix C of Ind AS 115. The activities are given below:

a. a construction activity in respect of its obligation to design, build, finance an asset that it makes available to the Grantor (NHAI)/ state authorities
b. Revenue from major maintenance obligation and operation and maintenance activity in respect of the assets during the concession period in accordance with Ind AS 115.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or

CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

j) Provisions and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is recognised.

k) Financial Instruments

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price determined under Ind AS 115.

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. **Financial assets at fair value**

- Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 42 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as annuity and intangible assets, where required. Involvement of external valuers is decided

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

by the Group on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Group after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Investment in quoted mutual fund (note 9)
- Financial instruments (including those carried at amortised cost) (note 43).

m) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables:

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

n) Employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

The Group makes contribution towards employee state insurance scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948. The contributions deposited with authorities are recognised as on expense during the year.

o) Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortisation of ancillary costs and other costs the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

r) Net Distributable cash flows to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

s) Statements of net assets at fair value

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and fair values of the total liabilities of individual SPV's. The fair value of the assets is reviewed by the management, derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations. The independent valuers are leading valuers with a recognised and relevant professional qualification as per InvIT regulations and valuation assumptions used are reviewed by the management at each balance sheet date.

t) Statement of total returns at fair value

The disclosure of total returns at fair value comprises of the Total Comprehensive Income as per the Statement of Profit and Loss and Other Changes in Fair Value. (e.g., in property, plant & equipment (if cost model is followed)) not recognised in Total Comprehensive Income. Other changes in fair value is derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

u) Unit holders equity and distribution

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' equity contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' equity could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Master Circular(SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06 2023 as amended) issued under the SEBI Regulations, the unitholders' equity have been classified as equity in order to comply with the mandatory requirements of Section H of Chapter 3 to the SEBI Master Circular dated July 06 2023 dealing with the minimum disclosures for key financial statements.

The Group recognises a liability to make cash distribution to unitholders when the distribution is authorised and a legal obligation has been created. As per the SEBI regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

v) Earning per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

3. Property, plant and equipment (PPE)

	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment	343.04	100.00
	343.04	**100.00**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 and March 31, 2023 are as follows :

Description	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block								
Balance as at April 01, 2022	**4.37**	**14.97**	**92.13**	**8.55**	**31.44**	**56.46**	**13.85**	**221.77**
Additions for the year	-	4.32	5.02	0.21	0.48	1.93	1.37	13.34
Transfer from capital work-in-progress during the year	-	2.39	-	-	-	-	-	2.39
Disposals/adjustments for the year	-	(0.19)	(3.07)	(1.04)	(2.43)	(21.75)	(0.08)	(28.56)
Balance as at March 31, 2023	**4.37**	**21.49**	**94.08**	**7.72**	**29.50**	**36.65**	**15.13**	**208.93**
Addition on account of business combination (refer note 51)	20.53	29.89	89.57	1.14	88.81	3.13	0.87	233.94
Additions for the year	0.01	16.62	16.60	2.16	2.94	4.48	3.17	45.98
Transfer from capital work-in-progress during the year	-	-	-	-	-	-	-	-
Disposals/adjustments for the year	-	-	(3.44)	-	(3.33)	(0.09)	(0.24)	(7.10)
Balance as at March 31, 2024	**24.91**	**68.00**	**196.81**	**11.02**	**117.92**	**44.17**	**18.93**	**481.77**
Accumulated depreciation								
Balance as at April 01, 2022	**-**	**2.22**	**41.22**	**3.51**	**17.46**	**18.13**	**9.19**	**91.73**
Charge for the year	-	0.88	14.43	0.46	3.12	5.86	2.22	26.96
Disposals/adjustments for the year	-	(0.09)	(2.18)	(0.94)	(2.31)	(4.15)	(0.08)	(9.75)
Balance as at March 31, 2023	**-**	**3.01**	**53.46**	**3.02**	**18.27**	**19.84**	**11.33**	**108.93**
Charge for the year	-	2.26	16.59	0.56	6.40	6.25	2.29	34.35
Disposals/adjustments for the year	-	-	(2.29)	-	(2.11)	(0.01)	(0.14)	(4.55)
Balance as at March 31, 2024	**-**	**5.27**	**67.76**	**3.58**	**22.56**	**26.08**	**13.48**	**138.73**
Net block as at March 31, 2023	**4.37**	**18.48**	**40.62**	**4.69**	**11.23**	**16.81**	**3.81**	**100.00**
Net block as at March 31, 2024	**24.91**	**62.73**	**129.05**	**7.45**	**95.36**	**18.09**	**5.45**	**343.04**

Notes:

(i) Contractual obligations :

Refer note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 35.

4. Capital work-in-progress

	As at March 31, 2024	As at March 31, 2023
Capital work in progress	50.98	-
	50.98	**-**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

The changes in the carrying value of capital work-in-progress for year ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Amount
Capital work-in-progress as at April 01, 2022	**2.39**
Add: Additions during the year	-
Less: transfer to property, plant and equipment during the year (refer note 3)	(2.39)
Capital work-in-progress as at March 31, 2023	**-**
Addition on account of business combination (refer note 51)	5.93
Add: Additions during the year	45.05
Less: transfer to property, plant and equipment during the year (refer note 3)	-
Capital work-in-progress as at March 31, 2024	**50.98**

Ageing schedule of capital work-in-progress

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	50.98	-	-	-	50.98

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

Note:

(i) Contractual obligations :

Refer note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 35.

5A. Goodwill

	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Addition on account of business combination (refer note 51)	3,101.73	-
Impairment of goodwill (refer note 34)	(3,101.73)	-
Closing balance	-	-

i) Allocation of Goodwill to reportable segments:

During the year the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations ('Ind AS 103'), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 Mn, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust. (Refer note 51 for further details).

The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit ("CGU") of STPL.

The recoverable amount of the above mentioned CGU is determined based on value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

ii) Impairment of Goodwill:

Goodwill is tested for impairment and during the year, the Group has recognised impairment during the year amounting to ₹ 3,101.73 Mn (refer note 34).

iii) Key assumptions used for value in use calculations are as follows: *#

*Discount rates - Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC).

#Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.

The cash flow projection has been prepared using anticipated revenue growth from inputs provided in the traffic study report (average growth rate of 7.6% across the project life cycle). The discount rate used is 9.94%.

The management has performed sensitivity analysis around the base assumptions and accordingly concluded that no reasonable changes in key assumptions would cause the change in the recoverable amount of the CGU.

5B. Other intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
Other intangible assets	55,432.88	19,353.89
	55,432.88	**19,353.89**

The changes in the carying value of other intangible assets for the year ended March 31, 2024 and March 31, 2023 are as follows:

Description	Toll collection rights	Software	Total intangible assets
Gross block			
Balance as at April 01, 2022	**28,712.09**	**13.68**	**28,725.77**
Additions for the year	246.37	-	246.37
Disposals/adjustments for the year	-	(0.02)	(0.02)
Balance as at March 31, 2023	**28,958.46**	**13.66**	**28,972.12**
Addition on account of business combination (refer note 51)	38,846.01	-	38,846.01
Additions for the year	-	-	-
Disposals/adjustments for the year	(3.20)	-	(3.20)
Balance as at March 31, 2024	**67,801.27**	**13.66**	**67,814.93**
Accumulated amortisation			
Balance as at April 01, 2022	**8,473.10**	**6.13**	**8,479.22**
Charge for the year	1,137.61	1.40	1,139.01
Balance as at March 31, 2023	**9,610.71**	**7.53**	**9,618.22**
Charge for the year	2,174.72	1.29	2,176.01
Impairment for the year (refer note 34)	587.81	-	587.81
Balance as at March 31, 2024	**12,373.25**	**8.82**	**12,382.05**
Net block as at March 31, 2023	**19,347.75**	**6.14**	**19,353.89**
Net block as at March 31, 2024	**55,428.03**	**4.85**	**55,432.88**

Notes:

(i) Contractual obligations:

Refer note 39 for disclosure of capital and other commitments for the acquisition of intangible assets.

(ii) For assets pledged as security, refer note 35.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

6. Others non-current financial assets

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Security deposits	16.67	5.14
Receivables under service concession arrangements (refer note below)	7,964.02	536.57
Bank deposits with more than 12 months maturity*	17.93	-
Other	10.47	-
	8,009.09	**541.71**

*includes interest accrued but not due

Notes:

(i) Movement in receivables under service concession arrangements during the financial year :

	As at March 31, 2024	As at March 31, 2023
Opening balance	**1,136.26**	**1,944.23**
Acquisition under business combinations (refer note 51)	9,754.89	-
Add: Interest income on annuity receivable from National Highway Authority of India ('NHAI') (refer note 28)	486.70	183.75
Add: Revenue from operations and maintenance of road (refer note 28)	1,005.28	280.23
Add/Less: Modification gain/ (loss) on annuity (refer note 28 and 32)	41.19	(298.58)
Less: Annuity received from NHAI	(1,937.14)	(973.37)
Closing balance	**10,487.18**	**1,136.26**

(ii) Movement in receivables under service concession arrangements during the financial year :

	As at March 31, 2024	As at March 31, 2023
- Non-current (refer note 6)	7,964.02	536.57
- Current (refer note (refer note 13)	2,523.16	599.69
	10,487.18	**1,136.26**

(iii) Refer note 42 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and refer note 43 - Financial risk management for assessment of expected credit losses.

(iv) For assets pledged as security, refer note 35.

7. Non-current tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provisions)	410.34	83.57
	410.34	**83.57**

8. Other non-current assets

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Capital advances	72.13	-
Other- fair value of plan assets	-	1.08
Balances with statutory authorities*	-	5.18
	72.13	**6.26**

*includes deposit paid under protest with statutory authority

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

9. Investments

	As at March 31, 2024	As at March 31, 2023
Current		
Investment in mutual funds - quoted (fully paid)^ *	5,027.36	648.60
	5,027.36	**648.60**
Notes:		
Aggregate amount of quoted investments- at market value	5,027.36	648.60
Aggregate amount of quoted investments- at cost	4,922.83	651.64

For assets pledged as security, refer note 35.

^These are measured at fair value through profit and loss ('FVTPL')

*Amount of ₹ 51.6 Mn represents the amount invested in mutual fund on March 28, 2024, the units of which were allotted on April 02, 2024. During the previous year amount of ₹ 6.4 Mn and ₹ 2.5 Mn was invested in mutual fund on March 28, 2023 and 29 March 2023 respectively, however units were allotted on April 02, 2023.

(a) Details of investment in mutual funds- quoted (fully paid)

	As at March 31, 2024	As at March 31, 2023
IDFC Overnight Fund Direct Plan - Growth- Nil units as at March 31, 2024 (March 31, 2023: 52,739.30 units;)	-	63.06
Bandhan Overnight Fund Direct Plan-Growth- 3,53,075.66 units as at March 31, 2024 (March 31, 2023: 489,735.11) (erstwhile IDFC Overnight Fund Direct PlanGrowth)	450.88	585.54
Axis Liquid Fund Direct Plan- Regular Growth- 24,280.91 units as at March 31, 2024 (March 31, 2023: NIL)	64.69	-
ICICI Prudential Liquid Plan-Regular Growth- 8,54,857.64 units as at March 31, 2024 (March 31, 2023: NIL)	302.94	-
SBI Overnight Fund Direct Growth-Regular Growth- 7,76,452.99 units as at March 31, 2024 (March 31, 2023: NIL)	3,076.49	-
ICICI Overnight Fund Growth-Regular Growth- 8,77,440.56 units as at March 31, 2024 (March 31, 2023: NIL)	1,132.36	-
	5,027.36	**648.60**

10. Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- unsecured	310.66	0.16
Less : Provision for expected credit loss	-	-
Total	**310.66**	**0.16**

Notes:

(i) The Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk.

(ii) Refer note 43 - Financial risk management for assessment of expected credit losses

(iii) The carrying value are considered to be a reasonable approximation of fair value

(iv) Refer note 52 - for ageing schedule of trade receivables

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

11. Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- in current accounts	228.00	63.01
- deposits with original maturity less than three months*	1,018.19	282.35
Cash on hand	8.19	3.75
	1,254.38	**349.11**

* Includes interest accrued but not due

Notes:

(i) For assets pledged as security, refer note 35.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting year.

12. Bank balances other than cash and cash equivalents above

	As at March 31, 2024	As at March 31, 2023
Fixed deposit with bank		
Deposits with original maturity more than three months but less than twelve months*#	8,231.56	1,546.58
	8,231.56	**1,546.58**

*Includes interest accrued but not due

#Includes deposits pledged against debt service reserve account (DSRA)

Notes:

(i) For assets pledged as security, refer note 35.

(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the respective reporting periods.

13. Others current financial assets

	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered good unless otherwise stated)		
Receivables under service concession arrangements (refer note 6 (ii) above)	2,523.16	599.69
Other receivables	255.87	31.69
Security deposits	1.24	-
	2,780.27	**631.38**

14. Other current assets

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Supplier advances	33.71	4.31
Balances with statutory authorities	524.21	14.39
Other- fair value of plan assets	2.09	0.29
Prepaid expenses	119.61	36.24
Other receivables	43.54	-
	723.16	**55.23**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

15. Equity

		As at March 31, 2024	As at March 31, 2023
a)	**Unit capital**		
	415,500,000 units (March 31, 2023 : 415,500,000 Units) of ₹ 100 each	41,550.00	41,550.00
	65,931,294 units (March 31, 2023 : Nil) of ₹ 77.96 each	5,140.00	-
	265,454,540 units (March 31, 2023 : Nil) of ₹ 82.50 each	21,900.00	-
		68,590.00	**41,550.00**

(i) Terms/rights attached to unit capital :

Subject to the provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) ('SEBI Regulations'), the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust").

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders.

e) Right to receive periodic information-the Investment Manager, on behalf of the Highways Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the SEBI Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the SEBI Regulations and such other requirements as may be specified by SEBI.

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

g) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholder.

h) No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

i) In terms of the SEBI Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholder Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Infrastructure Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(ii) Reconciliation of units outstanding at the beginning and at the end of the year :

	As on March 31, 2024		As on March 31, 2023	
	No. of units	(₹ in Mn)	No. of units	(₹ in Mn)
Unit capital of ₹ 100 each fully paid up				
Balance at the beginning of the year	415,500,000	41,550.00	-	-
Add: Units issued during the year:				
- Issuance of units by way of private placement at ₹ 100 (refer note (v) below)	-	-	415,500,000	41,550.00
- Issuance of units by way of right issue at ₹ 77.96 (refer note (vi) below)	65,931,294	5,140.00	-	-
- Issuance of units by way of preferential allotment at ₹ 82.50 (refer note (vii) below)	265,454,540	21,900.00	-	-
Balance at the end of the year	**746,885,834**	**68,590.00**	**415,500,000.00**	**41,550.00**

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date:

	As on March 31, 2024		As on March 31, 2023	
	No. of units	% of holding	No. of units	% of holding
Galaxy Investments II Pte. Ltd.	373,900,000	50.06%	373,900,000	89.99%
Nebula Asia Holdings II Pte. Ltd.	180,606,060	24.18%	-	-
2452991 Ontario Limited	148,341,698	19.86%	31,200,000	7.51%

(iv) There were no units issued pursuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issue and/or bought back since the date of incorporation.

(v) During the previous year ended March 31, 2023, the Trust has issued 415,500,000 units on August 22,2022 persuant to final placement memorandum filed with the Securities and Exchange Board of India (SEBI) dated August 22, 2022 at at issue price of ₹ 100 each.

(vi) During the current financial year ended March 31, 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on July 06, 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150.00 Mn ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:

(a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV");

(b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and

(c) for general purposes.

Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on July 07, 2023, and letter of offer filed with NSE on September 25, 2023 in accordance with applicable law.

Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on October 13, 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 Mn, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated October 16, 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f October 17, 2023.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

The Trust has paid issue management fees of ₹ 17.70 Mn to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended March 31, 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure with respect to issue management fees was disclosed on the letter of offer dated September 25, 2023 for rights issue filed with the NSE."

(vii) During the current financial year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900.00 Mn on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated July 06, 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on January 19, 2024. The proceeds of ₹ 21,900.00 Mn have been utilised for payment of purchase consideration of STPL and GRICL.

16. Other equity

	As at March 31, 2024	As at March 31, 2023
Equity component of loan to related parties	384.95	384.95
Securities premium reserve	774.79	2,274.79
Capital redemption reserve	2.83	2.83
Retained earnings	(16,922.55)	(11,316.53)
Amalgamation adjustment deficit account (refer note 51(b)(iii))	(28,514.38)	(28,514.38)
Capital reserve (refer note 51(a)(iii))	1,671.99	-
	(42,602.37)	**(37,168.34)**

Description of nature and purpose of each reserve:

Equity component of loan

This includes the equity component of the long term loan taken from GMR Highway Limited and India Infrastructure Fund (erstwhile promoter of UEPL).The equity component represents the interest-free feature of the loan. The liability component is reflected in non-current borrowings. (refer note 17).

Security premium reserve

Securities premium reserve represents premium received on issue of shares.These reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

Capital redemption reserve has been created as a result of transfer of the nominal value of shares upon buyback of shares, in accordance with Section 69 of the Companies Act, 2013.

Amalgamation adjustment deficit account (refer note 51(b)(iii))

Amalgamation adjustment deficit account has been created as a result of Excess of purchase consideration paid over net assets of project SPVs acquired on August 23, 2022. (refer note 51)

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Capital reserve

Capital reserve is a reserve of a corporate enterprise which is not available for distribution as dividend. The reserve is created on a gain in bargain purchase arising in business combination where clear evidence of the underlying reasons does not exists for classifying business combinations as a bargain purchase.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

17. Non current borrowings*

	As at March 31, 2024	As at March 31, 2023
Secured		
Rupee term loan from banks	21,185.13	7,673.13
Non-convertible debentures	12,115.67	6,351.05
Unsecured		
Loan from GMR Highways Limited	569.59	517.68
Total Non-current borrowings (excluding current maturities) (A)	**33,870.39**	**14,541.86**
Current maturities of long-term borrowings (refer note 22)		
- Rupee term loans from banks	465.10	160.00
- Non-convertible debentures	311.02	65.00
- Commercial Paper	2,647.55	-
Total current borrowings (B)	**3,423.67**	**225.00**
Total borrowing (A+B)	**37,294.06**	**14,766.86**

*refer note 17(ii) for repayment terms and security details of the outstanding non-current borrowings (including current maturities)

*refer note 22(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

(i) Refer note 42- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 43-Financial risk management for assessment of expected credit lossess

Summary of material accounting policy information and other explanatory information
for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

17(ii)-Notes:

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sl. No.	Nature of borrowing	Name of Entity	As at		Repayment terms and security disclosure
			March 31, 2024	March 31, 2023	
1	Rupee term loans from banks (secured)	Highways Infrastructure Trust	21,650.23	7,833.13	**Rate of Interest and Repayment Terms** Rupee Term Loan (including RTL-1 for sanctioned limits of ₹ 8,000 Mn and RTL-2 for sanctioned limits of ₹ 19,000 Mn) from banks and financial institutions (including current maturities) of ₹ 21,650.23 Mn (March 31, 2023: ₹ 7,833.13 Mn) which carries weighted average interest rate of @ 8.34% p.a. (March 31, 2023: 7.94% p.a.) linked to Benchmark Rates (as defined in Rupee Loan Agreement or any communication from lender in relation to shift in Benchmark Rate) plus spread, if any, the interest rate will reset on such periodicity (in line with Benchmark Rate). The RTL-1 loan is repayable in 55 structured quarterly instalments starting from September 30, 2022 and ending on March 31, 2036. The RTL-2 loan is repayable in 65 structured quarterly instalments starting from March 31, 2024 and ending on June 30, 2040. **The Rupee Loan is secured by way of :** a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: i) all receivables of the Issuer from the HoldCos and SPVs ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer; c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs.

(All amounts in ₹ Mn unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at March 31, 2024	As at March 31, 2023	Repayment terms and security disclosure
					d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan; f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities").
2	Listed, redemable, non-convertible debentures	Highways Infratsructure Trust	11,340.62	6,416.05	**Rate of Interest and Repayment Terms** **Series I and II:** For the previous year ended March 31, 2023, 'The Trust has issued senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹4,000 Mn for Series I at coupon rate of 7.81% p.a. (March 31, 2023: 7.71% p.a) and ₹2,500.00 Mn for Series II at coupon rate of 8.25% p.a (March 31, 2023: 8.25% p.a) having an outstanding balance as at March 31, 2024 of ₹ 6,366.13 Mn (March 31, 2023 of ₹ 6,416.05 Mn) which will mature on December 22, 2025 and September 22, 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quaterly installments starting from December 31, 2022 and ending on December 22, 2025. Further series II NCDs is repayable in 28 structured quaterly installments starting from December 31, 2022 and ending on September 22, 2029. **Series III:** The Trust has issued senior, secured, taxable, rated, listed, redeemable Non-Convertible Debentures ("NCD's") amounting to ₹ 5,000.00 Mn for Series III at coupon rate of 8.34% p.a. (March 31, 2023: Nil) having an outstanding balance as at March 31, 2024 of ₹ 4,974.49 Mn (March 31, 2023 of ₹ Nil). The NCDs are listed on Bombay Stock Exchange (BSE). The said series III NCDs is repayable in bullet payments at the end of 3 years from deemed date of allotments i.e. January 18, 2027.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at March 31, 2024	As at March 31, 2023	Repayment terms and security disclosure
					The non convertible debentures (NCD) are secured by way of : a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to: i) all receivables of the Issuer from the HoldCos and SPVs ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer; c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs. d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA. e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (i) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans") (ii) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

(All amounts in ₹ Mn unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at March 31, 2024	As at March 31, 2023	Repayment terms and security disclosure
					f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities").
3	Loan from others (unsecured)	Ulundurpet Expressways Private Limited	569.59	517.68	**Rate of Interest and Repayment Terms** Interest free loans from GMR Highway Limited of ₹ 569.59 Mn (March 31, 2023: ₹ 517.68 Mn;) repayable on or before January 22, 2027, however repayment can be made only after repayment of term loan, however in case surplus cash available as per the terms of financing document, the same can also be prepaid.
4	Loan from others (unsecured)	Highways Infratsructure Trust	2,647.55	-	**Rate of Interest and Repayment Terms** The Trust has issued Commercial paper ("CP") amounting to ₹ 2,750.00 Mn at discount rate of 8.30% p.a. having an outstanding balance as at March 31, 2024 of ₹ 2,647.55 Mn (March 31, 2023: ₹ Nil) after unwinding of Interest on CP. The said CP is repayable in bullet payments after 328 days from date of issue. i.e. September 23, 2024."
5	Secured, Listed, redemable, non-convertible debentures	Gujarat Road And Infrastructure Company Limited ('GRICL')	1,085.57	-	**Rate of Interest and Repayment Terms:** Non-Convertible Debentures are repayable in 28 consecutive half yearly installment starting from September 2016 to March 2030 as per schedule repayment mentioned in Schedule V of Debenture Trust Deed executed on May 6, 2016. The Non-Convertible Debentures are carrying fixed interest of 9% p.a. **The non convertible debentures (NCD) are secured by way of :** The debenture are secured by a pari-passu first charge in favour of the Trustee of the Company on the project assets and all Property, Plant and Equipments and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc. **Default and breaches:** Non-current borrowings contains debt covenants relating to Free Cash Flow to be maintained by the company as at the reporting date. The company has satisfied the debt covenant prescribed in the terms of the Debenture Trust Deed as at reporting date.
6	Loan from others (unsecured)	Udupi Tollway Private Limited ('UTPL')	0.50	-	**Rate of Interest and Repayment Terms:** OCD from Navayuga Road Projects Private Limited does not carry any coupon Repayment: (a) Optionally convertible debt (OCDs) amounting to ₹0.50 Mn having face value of ₹ 10/- each which does not carry any coupon repayment (b) The OCDs will be redeemed solely at the option of the Company at any time after the option exercise date but before 18 (eighteen) months of the closing date by the OCDs redemption amount (net of all taxes) to the Seller parties
	Total		**37,294.06**	**14,766.86**	

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

18. Other non-current financial liabilites

	As at March 31, 2024	As at March 31, 2023
Deferred payment liabilities-payable to concession authorities for toll collection rights	1,587.31	1,556.83
	1,587.31	**1,556.83**

(i) Refer note 42- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 43-Financial risk management for assessment of expected credit lossess

19. Non-current provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (refer note 41)	22.36	9.25
Compensated absence (refer note 41)	16.20	4.62
Other provisions		
Major maintenance obligation (refer note (i)(a) and (ii) below)	849.77	267.69
Others	2.55	-
	890.88	**281.56**

Notes:

(i) Information about individual provisions and significant estimates

(a) Provision for major maintenance obligation

Each SPV of the Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to National Highways Authority of India ('NHAI'), Madhya Pradesh Road Development Corporation ('MPRDC'), Public Work Department ('PWD') as per the maintenance standards prescribed in respective concession arrangements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repair of structures and other equipments and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually. Considering that the expense to be incurred depends on various factors including the usage, wear and tear of the highway, bituminous overlay, etc, it is not possible to estimate the exact timing and the quantum of the cash flow. The management does not expect any re-imbursement towards the expenses to be incurred.

(b) For disclosures required related to provision for employee benefits, refer note 41 - Employee benefit obligations.

(ii) Movement in major maintenance obligation during the financial year :

		As at March 31, 2024	As at March 31, 2023
-	Non-current (refer note 19)	849.77	267.69
-	Current (refer note 26)	2,376.45	424.24
Total provision		**3,226.22**	**691.93**

Particulars	Major maintenance obligation
Balance as at April 01, 2022	**590.89**
Additions during the year	416.39
Utilised during the year	(366.66)
Unwinding of discount on major maintenance provision	51.31

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	Major maintenance obligation
Balance as at March 31, 2023	**691.93**
Addition on account of business combination (refer note 51(a)(ii))	2,462.21
Additions during the year	1,424.15
Utilised during the year	(1,446.30)
Unwinding of discount on major maintenance provision (refer note 31)	79.77
Modification loss on financial liability (refer note 31)	14.46
Balance as at March 31, 2024	**3,226.22**

20. Deferred tax assets / (liabilities) (net)*

Deferred tax assets / (liabilities) as at March 31, 2024	Assets	Liabilities	Net
Temporary difference of preliminary expenses	-	0.64	0.64
Provision for major maintenance obligation	-	95.47	95.47
Amount payable to Concession Authorities as per service concession agreement	-	484.14	484.14
Unused business loss	-	139.59	139.59
Provision for employee benefits	-	3.97	3.97
Tax credit (minimum alternate tax)	815.83	2,487.60	3,303.43
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	(477.54)	(9,267.82)	(9,745.36)
Adjustment on account of upfront fees on borrowings	-	(0.16)	(0.16)
Fair valuation of investments	(0.29)	(10.34)	(10.63)
Receivable under service concession arrangement	-	(359.94)	(359.94)
Total	**338.00**	**(6,426.85)**	**(6,088.85)**

Deferred tax assets / (liabilities) as at March 31, 2023	Assets	Liabilities	Net
Amount payable to Concession Authorities as per service concession agreement	-	417.52	417.52
Tax credit (minimum alternate tax)	607.16	-	607.16
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	(287.91)	(1,982.78)	(2,270.69)
Fair valuation of investments	(0.17)	-	(0.17)
	319.08	**(1,565.26)**	**(1,246.18)**

* refer note 36 for details with respect to deferred tax not recognised on unused tax losses and credits

20.1 Component wise movement of Deferred tax liabilities /(asset) for the year ended March 31, 2024 and March 31, 2023

Particulars	April 01, 2023	Acquisition in business combination (refer note 51 (a)(ii))	Recognised in the Statement of Profit and Loss during the year	March 31, 2024
Liabilities				
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	2,270.69	7,174.07	300.60	9,745.36
Adjustment on account of upfront fees on borrowings	-	11.11	(10.95)	0.16
Fair valuation of investments	0.17	19.52	(9.06)	10.63
Receivable under service concession arrangement	-	517.52	(157.58)	359.94
Sub-Total	**2,270.86**	**7,722.22**	**123.01**	**10,116.09**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	April 01, 2023	Acquisition in business combination (refer note 51 (a)(ii))	Recognised in the Statement of Profit and Loss during the year	March 31, 2024
Assets				
Amount payable to Concession Authorities as per service concession agreement	417.52	-	66.62	484.14
Provision for major maintenance obligation	-	165.54	(70.07)	95.47
Provision for employee benefits	-	5.40	(1.43)	3.97
Temporary difference of preliminary expenses	-	0.67	(0.03)	0.64
Unused business loss	-	-	139.59	139.59
Tax credit (minimum alternate tax)	607.16	2,464.92	231.35	3,303.43
Sub-Total	**1,024.68**	**2,636.53**	**366.03**	**4,027.24**
	1,246.18	**5,085.69**	**(243.02)**	**6,088.85**

Particulars	April 01, 2022	Recognised in the Statement of Profit and Loss during the year	March 31, 2023
Liabilities			
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	1,632.90	637.79	2,270.69
Adjustment on account of upfront fees on borrowings	2.34	(2.34)	-
Fair valuation of investments	2.07	(1.90)	0.17
Sub-Total	**1,637.31**	**633.55**	**2,270.86**
Assets			
Provision for major maintenance obligation	66.53	(66.53)	-
Amount payable to concession authorities as per service concession agreement	287.52	130.00	417.52
Tax credit (minimum alternative tax)	433.90	173.26	607.16
Sub-Total	**787.95**	**236.73**	**1,024.68**
	849.36	**396.82**	**1,246.18**

21. Other non current liabilities

	As at March 31, 2024	As at March 31, 2023
Deferred income	31.88	-
	31.88	**-**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

22. Current borrowings

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Commercial Paper (also refer note 17)	2,647.55	-
Secured		
Current maturities of long-term borrowings (also refer note 17)		
- Rupee term loans from banks	465.10	160.00
- Non-convertible debentures	311.02	65.00
	3,423.67	**225.00**

(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Long-term borrowings (including current maturities)
Balance as at April 01, 2022	**23,268.43**
Cash flows:	
Proceeds	14,469.03
Repayment/ redemption	(14,413.10)
Non-cash:	
Units alloted against redemption of compulsory convertible debentures ('CCD')	(7,978.14)
Units alloted against redemption of preference share capital	(519.08)
Impact of amortised cost adjustment for borrowings	(60.30)
Balance as at March 31, 2023	**14,766.86**
Addition on account of business combination (refer note 51)	17,593.02
Cash flows:	
Proceeds	21,648.82
Impact of amortised cost adjustment for borrowings	(158.74)
Repayment/ redemption	(16,645.82)
Non-cash:	
Interest on Commercial papers which has been clubbed with loan balances	89.92
Balance as at March 31, 2024	**37,294.06**

23. Trade payables

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises [refer note (iv) below]	38.01	10.18
Total outstanding dues to creditors other than micro and small enterprises		
- to related parties (refer note 46)	142.09	154.03
- to others	1,143.56	223.50
	1,323.66	**387.71**

Note:

(i) Refer note 43 Financial risk management for presentation of financial instruments by category.

(ii) The carrying values are considered to be a reasonable approximation of fair value.

(iii) Refer note 52 - for ageing schedule of trade payables

(iv) **Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

a)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	38.01	10.18
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

24. Other current financial liabilities

	As at March 31, 2024	As at March 31, 2023
Deferred payment liabilities-payable to concession authorities for toll collection rights	154.02	136.53
Retention money	50.50	40.20
Advance against customers	0.51	3.81
Interest accrued on rupee term loan	3.64	1.19
Interest accrued on non convertible debentures ('NCD's)	2.38	1.30
Interest accrued but not due borrowings	129.50	-
Employees payable	21.18	5.01
Provision for corporate social responsibility (CSR) (refer note 33.2)	12.50	0.78
Consideration payable towards acquisition of subsidiaries (refer note 51)	578.09	-
Other payables	155.90	38.30
	1,108.22	**227.12**

Refer note 43 Financial risk management for presentation of financial instruments by category.

25. Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Payable to statutory authorities	72.10	43.11
Other payables	219.73	-
	291.83	**43.11**

(i) Refer note 43 Financial risk management for presentation of financial instruments by category.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

26. Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (refer note 41)	2.19	0.80
Compensated absence (refer note 41)	2.75	0.42
Other provisions		
Major maintenance obligation (refer note 19)	2,376.45	424.24
Others	14.78	-
	2,396.17	**425.46**

(i) For disclosures related to provision for employee benefits, refer note 41 - Employee benefit obligations.

27. Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Provision for income tax (net)	11.31	-
	11.31	**-**

28. Revenue from operations*

	For the year ended March 31, 2024	For the year ended March 31, 2023
Income arising out of toll collection	8,299.97	5,637.45
Interest income on annuity receivable from NHAI	486.70	183.75
Revenue from operations and maintenance of road	1,005.28	280.23
Claim from NHAI	4,253.73	-
Change of scope and utility shifting expenses	82.23	50.92
	14,127.92	**6,152.35**

*refer note 45

28.1 Profit on sale of assets/investments

	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on sale of property, plant and equipment (net)	0.77	0.02
Gain on investments carried at fair value through profit or loss (net)	31.13	2.36
Gain on sale of investments (net)	92.26	123.66
	124.16	**126.04**

29. Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income		
- Income tax refund	6.13	1.43
- Others	0.77	10.35
Other non operating income		
Insurance claims	7.43	8.03
Excess provisions written back	50.22	9.15
Miscellaneous income	9.57	2.21
Gain on modification of annuity	41.19	-
	115.30	**31.17**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

30. Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus	114.98	87.20
Contribution to provident and other funds	17.20	5.53
Staff welfare expenses	13.18	11.30
	145.36	**104.03**

For disclosures related to provision for employee benefits, refer note 41 - Employee benefit obligations

31. Other finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023
Unwinding finance cost on deferred payment to National Highways Authority of India ('NHAI') for purchase of right to charge user of toll roads	181.66	177.46
Unwinding of discount on major maintenance provision	79.77	51.31
Unwinding of discount on provisions and financial liabilities carried at amortised cost	55.42	110.04
Modification loss on financial liability	14.46	5.06
Finance and bank charges	84.82	103.61
	416.13	**447.48**

32. Operating expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenses related to claim from National Highways Authority of India ('NHAI')/ Public Works Department ('PWD')	-	28.64
Modification loss on annuity	-	298.58
Change of scope and utility shifting expenses	4,304.51	38.22
	4,304.51	**365.44**

33. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Power, fuel and water charges	33.31	32.30
Communication	3.13	2.93
Rates and taxes	0.17	0.61
Travelling and conveyance	19.42	9.19
Director sitting fees	0.86	-
Rent (refer note 38)	1.69	1.97
Bad debts written off	1.83	9.34
Printing and stationery	0.79	0.63
Miscellaneous expenses	14.49	6.37
	75.69	**63.34**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

33.1 Audit fees*

	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit and limited review fees	20.78	15.43
Certification fees	3.85	1.24
Out of pocket expenses	0.58	0.71
Total	**25.21**	**17.38**

*Including goods and service tax, as applicable

33.2 Corporate social responsibility (CSR)

Pursuant to provisions of section 135 of the Companies Act 2013 ('the Act') are applicable on few subsidiaries of the Trust. In accordance with the provisions of section 135 of the Act, the Board of Directors of the respective subsidiaries (where applicable) of Trust had constituted CSR Committee.The details of CSR activities are as follows:-

		For the year ended March 31, 2024	For the year ended March 31, 2023
(A)	Amount required to be spent by the Trust (pertaining to period before date of acquisition by the Trust)	8.12	-
(B)	Amount required to be spent by the Trust during the year	32.15	15.16
(C)	Total of previous year of shortfall	0.78	0.49
(D)	**Total amount required to be spent (A+B+C)**	**41.05**	**15.65**
(E)	Amount of expenditure incurred	28.55	14.87
(F)	**Unspent amount at the end of the year (D-E)**	**12.50**	**0.78**

*Details of CSR disclosure for the comparative period is given from April 01, 2023 to March 31, 2024

^The unspent amount has been deposited to designated CSR unspent account within 30 days from the end of financial year in accordance with provision of Companies Act, 2013 read with relevant rules made thereunder.

	For the year ended March 31, 2024	For the year ended March 31, 2023
Nature of CSR activities		
A Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation.	5.84	10.33
B. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	6.14	4.54
C. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	-	-
D. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.	-	-
E. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	-	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
F. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citisen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	16.57	-
Total expenditure incurred	**28.55**	**14.87**

Notes:

(i) The Group carries provision for corporate social responsibility for the current year and previous year.

(ii) The Group have a ongoing projects in one subsidiaries as at March 31, 2024 and March 31, 2023

34. Exceptional items

	For the year ended March 31, 2024	For the year ended March 31, 2023
Impairment of intangible assets (refer note (i) below)	587.81	-
Impairment of goodwill (refer note (ii) below)	3,101.73	-
	3,689.54	**-**

(i) a. Impairment loss/reversal

As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of intangible assets (toll collection rights) and provided for an impairment loss of ₹ 587.81 Mn (March 31, 2023: Nil) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended March 31, 2024

The recoverable value determined through value in use method in respect of intangible assets. Refer table below for discount rate used for determining the recoverable value for year ended March 31, 2024 and for year ended March 31, 2023.

b. Summary of impairment loss

	For the year ended March 31, 2024	For the year ended March 31, 2023
Name of entity		
UTPL	243.91	-
STPL	343.90	-
	587.81	**-**

c. Statement showing recoverable value and discount rates of following subsidiaries :

Recoverable value	UTPL	STPL	Total
March 31, 2024	8,919.26	12,995.58	21,914.84
March 31, 2023*	-	-	-

d. Details of discount rate used for determining the recoverable value :

Discount rate	UTPL	STPL
March 31, 2024	10.60%	9.94%
March 31, 2023*	Not Applicable	Not Applicable

*UTPL and STPL have been acquired by the Trust during the current year accordingly, accordingly impairment analysis was not conducted during the previous year .

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(ii) During the year the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations ('Ind AS 103'), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 Mn, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.

The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL.

Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the reporting date, based on the detailed fair valuation exercise undertaken by the management considering the future projected cash flows of the asset, the recoverable amount of goodwill is Nil. Recoverable amount is value in use of the acquired assets computed based upon projected cash flows using anticipated revenue growth from inputs provided in the traffic study report (average growth rate of 7.60% across the project life cycle). The discount rate used is 9.94%. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount is in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the year.

35. Assets pledged as security

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Investments (refer note 9)	5,027.36	648.60
Trade receivables (refer note 10)	310.66	0.16
Cash and cash equivalents and bank balances (refer note 11 and 12)	9,485.94	1,895.69
Other financial assets (refer note 13)	2,780.27	631.38
Other current assets (refer note 14)	723.16	55.23
Total current assets pledged as security	**18,327.39**	**3,231.06**
Non-current		
Property, plant and equipment (refer note 3)	343.04	100.00
Capital work in Progress (refer note 4)	50.98	-
Intangible assets (refer note 5B)	55,432.88	19,353.89
Other non-current financial assets (refer note 6)	8,009.09	541.71
Non-current tax assets (net) (refer note 7)	410.34	83.57
Other non-current assets (refer note 8)	72.13	6.26
Total non-currents assets pledged as security	**64,318.46**	**20,085.42**
Total assets pledged as security	**82,645.85**	**23,316.48**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

36. Tax expense

(i) Income tax expense recognised in Consolidated Statement of Profit and Loss

	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	452.22	225.67
Deferred tax	(243.02)	396.82
	209.20	**622.49**
The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :		
Profit before tax	1,888.75	964.48
Income tax using the Group's domestic tax rate *	29.12%	29.12%
Expected tax expense [A]	**550.01**	**280.86**
Tax effect of amount which are not deductible/ (taxable) in calculating taxable income		
Tax impact of exempt income pursuant to tax holiday and other exemptions as per Income Tax Act, 1961	(649.70)	(360.76)
Minimum Alternate Tax (MAT) credit recognised	(200.35)	(173.27)
Deferred tax asset not recognised due to absence of certainity of realisibility	509.25	364.58
Recognition of additional deferred tax liability pursuant to extension impact considered in subsidiaries of the Trust	-	510.66
Others	-	0.42
Total adjustments [B]	**(340.81)**	**341.63**
Actual tax expense [C=A+B]	**209.20**	**622.49**

* Domestic tax rate applicable to the Group has been computed as follows:

Base tax rate	25.00%	25.00%
Surcharge (% of tax)	12.00%	12.00%
Cess (% of tax)	4.00%	4.00%
Applicable rate	29.12%	29.12%

Note:

Tax rate applicable on the project SPV's have been considered for the purpose of above disclosure.

(ii) Unused tax losses and credits:

- Unused tax losses:

Unused tax losses for which no deferred tax asset has been recognised

Potential tax benefit @ 29.12% (March 31, 2023 : 29.12%)

Particulars	March 31, 2024	March 31, 2023
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised (Refer (a) and (b) below)	15,797.05	10,416.01
Potential tax benefit @ 29.12% (March 31, 2023 : 29.12%)	4,600.10	3,033.14

a) Unused business loss can be carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at March 31, 2024	As at March 31, 2023
March 31, 2024	March 31, 2031	6,031.53	471.14
		6,031.53	**471.14**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

b) Unabsorbed depreciation:

Unabsorbed depreciation for which no deferred tax asset has been recognised

Potential tax benefit @ 29.12% (March 31, 2023 : 29.12%)

Unabsored depreciation carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at March 31, 2024	As at March 31, 2023
March 31, 2011	Infinite period	-	830.08
March 31, 2012	Infinite period	689.50	736.96
March 31, 2013	Infinite period	558.61	558.61
March 31, 2014	Infinite period	1,361.35	1,361.35
March 31, 2015	Infinite period	1,894.20	1,894.20
March 31, 2016	Infinite period	1,620.12	1,620.12
March 31, 2017	Infinite period	1,200.23	1,196.37
March 31, 2018	Infinite period	665.60	658.23
March 31, 2019	Infinite period	390.84	383.77
March 31, 2020	Infinite period	224.30	217.85
March 31, 2021	Infinite period	34.99	29.99
March 31, 2022	Infinite period	247.27	242.40
March 31, 2023	Infinite period	284.26	214.94
March 31, 2024^	Infinite period	594.26	-
		9,765.53	**9,944.87**

^The amount has been derived based on income tax computation estimated by management for financial year ended March 31, 2024.

c) Minimum alternate tax ('MAT'):

Unused MAT credit

There are unused minimum alternate tax credits as mentioned below which have not been recognised as an asset in the books of accounts considering the Group believes that it is not probable that the same can be utilised during the specified allowable year against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Financial year of origination	Financial year of expiry	As at March 31, 2024	As at March 31, 2023
March 31, 2014	March 31, 2029	-	2.34
March 31, 2015	March 31, 2030	7.12	10.05
March 31, 2016	March 31, 2031	6.68	6.68
March 31, 2017	March 31, 2032	23.11	23.11
March 31, 2018	March 31, 2033	20.69	20.69
March 31, 2019	March 31, 2034	5.34	5.34
March 31, 2020	March 31, 2035	41.94	41.94
March 31, 2021	March 31, 2036	39.73	39.73
March 31, 2022	March 31, 2037	29.77	29.77
March 31, 2024^	March 31, 2039	71.10	-
		245.48	**179.64**

^The amount has been derived based on income tax computation estimated by management for financial year ended March 31, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

37. Earnings per unit (EPU):

Particulars	As at March 31, 2024	As at March 31, 2023
Net (loss)/profit attributable to unitholder (₹ in Mn)	(2,085.78)	341.99
Number of weighted average units (Nominal value of ₹ 100 each)		
- Basic (₹)*	499,975,102	415,500,000
- Diluted (₹)**	499,975,102	415,500,000
Earnings per unit - after exceptional items and tax		
- For Basic (₹)*	(4.17)	0.82
- For Diluted (₹)**	(4.17)	0.82

Note:

*Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the year.

**Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

38. Information on Lease transactions pursuant to Ind AS 116-Leases

The Group is a lessee under various short term leases. Rental expense on short term or low value leasees for the financial years ended March 31, 2024 and March 31, 2023 are ₹ 1.69 Mn and ₹ 1.97 Mn respectively.

39. Capital and other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated project cost for construction of highway committed to be executed	337.56	30.57

40. Contingent liabilities and claims

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax / service tax and income tax cases in respect of which Group is in appeals	-	138.19
Income tax cases in respect of Group	368.43	4.03
Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals *	221.19	221.19
Labour welfare dues in respect of which Group is in appeals*	47.78	47.78
Total	**637.40**	**411.19**

*The said contingent liability is covered under pass through arrangement as per assignment agreement of the project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability in (net) will devolve on the Trust.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

41. Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

A Defined contribution plan

The Group's contribution to the employees provident fund is deposited with the provident fund commissionaire which is recognised by the Income Tax authorities. The Group recognised ₹ 16.46 Mn (for the year ended March 31, 2023: ₹ 5.13 Mn) for provident fund contribution and the Group's contribution to the Employee State Insurance Corporation Fund is deposited with Authority which is recognised by the Income Tax authorities for the year ended March 31, 2024. The Group recognised ₹ 0.74 Mn (for the year ended March 31, 2023: ₹ 0.40 Mn) for Employee State Insurance Corporation in the consolidated statement of profit or loss for the year ended March 31, 2024.

B Summary of gratuity and compensated absences:

Description	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Provisions:				
Gratuity	2.19	22.36	0.80	9.25
Compensated absences	2.75	16.20	0.42	4.62
Total provisions	**4.94**	**38.56**	**1.22**	**13.87**
Fair value of plan assets of gratuity	2.09	-	0.29	1.08

C Disclosure of gratuity

Gratuity (funded)

The group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The group provides for gratuity, based on actuarial valuation as of the balance sheet date. Vesting occurs upon completion of 5 years of service.

Description of risk exposures:

A description of the risks to which the plan exposes the entity, focused on any unusual, entity specific or plan-specific risks, and of any significant concentrations of risk." for example interest rate risk, liquidity risk, salary escalation risk etc. Following are some of the risks that the Group is exposed to:

(a) **Salary increases -**Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) **Investment risk -** If plan is funded then assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) **Discount rate-** Reduction in discount rate in subsequent valuations can increase the plan's liability.

(d) **Mortality and disability -** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) **Withdrawals -** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

(i) Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	5.62	2.21
Interest cost	1.02	0.52
Net impact on profit (before tax)	**6.64**	**2.73**
Actuarial loss /(gain) recognised during the year	(0.65)	(0.90)
Amount recognised in total comprehensive income	**5.99**	**1.83**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits (Cont'd)

(ii) Movement in present value of obligation:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of defined benefit obligation as at the beginning of the year	11.91	11.41
Acqusition under business combination (refer note 51)	41.18	-
Transfer out obligation	0.68	(0.86)
Current service cost	5.32	2.21
Interest cost	3.48	0.74
Benefits paid	(13.06)	(0.67)
Actuarial loss /(gain) recognised during the year	2.51	(0.91)
Present value of defined benefit obligation as at the end of the year	**52.00**	**11.91**

(iii) Movement in the plan assets recognised in the Consolidated Balance Sheet is as under:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value of plan assets at the beginning of the year	**3.23**	**3.03**
Acquisition under business combinations (refer note 51)	37.75	-
Actual return on plan assets	2.45	0.22
Current service cost	0.88	-
Transfer in/ (out) plan assets	(2.60)	-
Contributions	2.08	-
Benefits paid	(12.28)	-
Actuarial gain	(0.61)	(0.01)
Remeasurements-return on assets	(1.45)	-
Advance toward gratuity ('GRICL')	0.09	-
Fair value of plan assets at the end of the year	**29.54**	**3.23**

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of funded obligation as at the end of the year	52.00	11.91
Fair value of plan assets as at the end of the year funded status	29.54	3.23
Unfunded/funded net liability recognised in consolidated balance sheet	**22.46**	**8.68**

(v) Breakup of actuarial (gain)/loss:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial gain from change in demographic assumption	(0.04)	-
Actuarial gain from financial assumption	(1.52)	(0.63)
Actuarial gain from experience adjustment	(1.15)	(0.28)
Return on plan assets (excluding amounts included in net interest expense)	2.06	0.01
Total actuarial loss/(gain) for the year	**(0.65)**	**(0.90)**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits (Cont'd)

(vi) Actuarial assumptions:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate-range	7.2% to 7.45%	7.4% to 7.45%
Rate of increase in compensation levels - range	6% to 10%	6% to 8%
Retirement age	58 years to 60 years	58 years
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Notes:

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(vii) Sensitivity analysis for gratuity liability:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Impact of change in discount rate		
Present value of obligation at the end of the year	52.00	11.91
- Impact due to increase of 0.50% - 1 %	48.63	11.32
- Impact due to decrease of 0.50% - 1 %	55.82	12.54
Impact of change in salary increase		
Present value of obligation at the end of the year	52.00	11.91
- Impact due to increase of 0.50% - 1 %	55.50	12.42
- Impact due to decrease of 0.50% - 1 %	48.77	11.40

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

(viii) Maturity profile of defined benefit obligation:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Within next 12 months	3.34	0.86
Between 1-5 years	11.98	4.03
Beyond 5 years	66.73	7.02
Total expected payments	**82.05**	**11.91**
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	7.75 - 15.67 years	7.75 - 15.67 years

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

B Compensated absence

Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	2.34	1.15
Interest cost	0.76	0.33
Actuarial gain recognised during the year	0.45	(0.82)
Amount recognised in the Consolidated Statement of Profit and Loss	**3.55**	**0.65**

42. Categories of financial instruments and fair value measurement hierarchy:

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets measured at fair value - recurring fair value measurements:

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	5,027.36	-	-	5,027.36

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	648.60	-	-	648.60

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investor.

(ii) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Receivables under service concession arrangements	Level 3	10,487.19	11,285.24	1,136.25	1,345.51
Other financial assets	Level 3	302.17	302.17	36.84	36.84
Trade receivables	Level 3	310.66	310.66	0.16	0.16
Cash and cash equivalents	Level 3	1,254.38	1,254.38	349.11	349.11
Bank balances other than cash and cash equivalents above	Level 3	8,231.56	8,231.56	1,546.58	1,546.58
Total financial assets		**20,585.96**	**21,384.01**	**3,068.94**	**3,278.19**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Financial liabilities					
Borrowings (including current maturity)	Level 3	37,294.06	37,294.06	14,766.86	14,766.86
Trade payables	Level 3	1,323.66	1,323.66	387.71	387.71
Other financial liabilities	Level 3	2,695.53	2,695.53	1,783.95	1,783.95
Total financial liabilities		**41,313.25**	**41,313.25**	**16,938.52**	**16,938.52**

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, trade payables and other current financial liabilities (except current maturities of long term borrowings, deferred payment liabilities and current portion of annuity receivable) is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.

(ii) The fair values of the Group's loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting period end was assessed to be insignificant.

(iii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

iii) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	5,027.36	-	-	648.60	-	-
Other financial assets	-	-	10,789.36	-	-	1,173.09
Trade receivables	-	-	310.66	-	-	0.16
Cash and cash equivalents	-	-	1,254.38	-	-	349.11
Other bank balances	-	-	8,231.56	-	-	1,546.58
Total	**5,027.36**	**-**	**20,585.96**	**648.60**	**-**	**3,068.94**
Financial liabilities						
Borrowings	-	-	37,294.06	-	-	14,766.86
Trade payables	-	-	1,323.66	-	-	387.71
Other financial liabilities	-	-	2,695.53	-	-	1,783.95
Total	**-**	**-**	**41,313.25**	**-**	**-**	**16,938.52**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

43. Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents above, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investment at fair value through profit or loss	Sensitivity analysis	Diversification of its portfolio of assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of respective SPVs. The Board of directors of Investment manager provides principles for overall risk managment, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to Special Purpose Vehicles (SPVs), placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Assets under credit risk :

Credit rating	Particulars	As at March 31, 2024	As at March 31, 2023
A: Low	Other current and non current financial assets	10,789.36	1,173.09
	Cash and cash equivalents	1,254.38	349.11
	Bank balances other than cash and cash equivalents above	8,231.56	1,546.58
B: Medium	Trade receivables from National Highways Authority of India ('NHAI')	310.66	0.16

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Group has trade receivables primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other annuity receivable is primarily from government authority National Highways Authority of India ('NHAI'). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously. Credit risk related to these other financial assets (except annuity receivables) is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Trade receivables

The Group is engaged in infrastructure development business under Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project, and Hybrid Annuity Model (HAM) projects. It currently derives its revenue primarily from toll collection / annuity business. Since the annuity receivables are from National Highway Authority of India ('NHAI') and various Government authorities, the credit risk with respect to such receivables from government institutions is expected to be very low and hence, no provision for expected credit loss is deemed necessary except in the case where particular receivables are known to be uncollectable. During the current year, the Group has not recognised any further provision for expected credit losses. There is no outstanding allowance of expected credit losses amounts as at March 31, 2024 (March 31, 2023: Nil).

Financial assets (other than trade receivables)

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents and bank balances other than cash and cash equivalents - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans and other financial assets - Credit risk is evaluated based on the Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the the Group can draw to apply consistently to entire population.

Further during the year, the Group has not recognised any additional expected credit loss (March 31, 2023: Nil). There is no outstanding allowance of expected credit losses amounts as at March 31, 2024 (March 31, 2023: Nil).

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Group had access to undrawn borrowing facilities under rupee term loan agreement at the end of the March 31, 2024 amounting to ₹ 4751.57 Mn and March 31, 2023 amounting to Nil.

b) Maturities profile of financial liabilities

The Group has adequate financial assets and projected revenues from operations to meet its obligations for these liabilities. The tables below analyse the Group's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	6,487.47	15,743.67	6,880.52	29,244.46	58,356.11
Trade payable	1,323.66	-	-	-	1,323.66
Deferred payment liability to concessions authorities	151.52	326.15	359.58	3,988.96	4,826.22
Other financial liabilities	240.59	-	-	-	240.59
Total	**8,203.24**	**16,069.82**	**7,240.10**	**33,233.42**	**64,746.58**

As at March 31, 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	1,359.85	7,363.42	2,632.74	10,922.63	22,278.64
Trade payable	387.71	-	-	-	387.71
Deferred payment liability to concessions authorities	144.31	310.62	342.46	4,173.14	4,970.53
Other financial liabilities	88.09	-	-	-	88.09
Total	**1,979.96**	**7,674.05**	**2,975.21**	**15,095.77**	**27,724.98**

C) Market risk

a) Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowing	24,297.78	7,833.13
Fixed rate borrowing	12,996.28	6,933.73
Total	**37,294.06**	**14,766.86**
Amount disclosed under current borrowings	3,423.67	225.00
Total Amount disclosed under non-current borrowings	**33,870.39**	**14,541.86**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity*		
Interest rates – decrease by 100 bps*	242.98	78.33
Interest rates – increase by 100 bps*	(242.98)	(78.33)

** Holding all other variables constant*

b) Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

D) Price risk

a) Exposure

The Group's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

b) Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Impact on profit before tax

Particulars	As at March 31, 2024	As at March 31, 2023
Mutual Funds		
Net assets value – increase by 100 bps	50.27	6.49
Net assets value – decrease by 100 bps	(50.27)	(6.49)

44. Capital management

For the purpose of the Group's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requiements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group's policy is to keep the gearing ratio optimum. The Group includes within its net debt, borrowings less cash and cash equivalents.

Net Gearing Ratio

The net gearing ratio at the end of the year is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt*	38,735.21	16,201.69
Total equity (refer note 15 and 16)	25,987.63	4,381.66
Net debt to equity ratio	**1.49**	**3.70**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

***Net debt**

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings (refer note 17)	33,870.39	14,541.86
Current borrowings (refer note 22)	3,423.67	225.00
Interest Accrued (refer note 24)	135.52	2.49
Other financial liabilities excluding interest accrued (refer note 18 and 24)	2,560.01	1,781.45
Less: Cash and cash equivalents (refer note 11)	(1,254.38)	(349.11)
Net debt	**38,735.21**	**16,201.69**

45. Revenue from contracts with customers

1 Disaggregation of revenue

Revenue recognised mainly comprises of revenue from toll collections, annuity with National Highways Authority of India ("NHAI"), contract revenue. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations		
(a) Change of scope and utility shifting expenses	82.23	50.92
(b) Toll income from Expressway	8,299.97	5,637.45
(c) Interest income on annuity receivable from National Highways Authority of India ('NHAI')	486.70	183.75
(d) Revenue from operations and maintenance of road	1,005.28	280.23
(e) Claim from NHAI	4,253.73	-
Total revenue	**14,127.92**	**6,152.35**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended March 31, 2024 and March 31, 2023:

S. No.	Types of Products by Nature	Types of Services by timing	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Service	At the point of time	13,641.22	5,968.60
2	Service	Over the period of time	486.70	183.75
	Total Revenue		**14,127.92**	**6,152.35**

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at March 31, 2024	As at March 31, 2023
Contract assets		
Trade receivables	310.66	0.16
Receivables under service concession arrangements	10,487.19	1,136.25
Total	**10,797.85**	**1,136.41**
Contract liability		
Mobilisation advance from concession authority	-	-
Total	**-**	**-**

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognised upon satisfaction of Performance obligation. Trade Receivables are non-interest bearing and are generally due within 180 days except retention money held by the customer as per the terms and conditions of the contract. Basis

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

the credit risk assessment done by the Group, there is no provision for expected credit losses required to be recognised on Trade Receivables. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

3 There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement with the contracted price under the Contract.

4 For movement in service concession arrangement, refer note 6 for financial asset model. There are no significant changes in other contract assets of the group.

5 Performance obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by concessions authorities and approved by management. Further, the payment of toll collection is generally due at the time of providing service.

Contract revenue

The performance obligation under service concession agreements ('SCA') is due on completion of work as per terms of SCA.

6 Significant changes in the contract liabilities balances during the year

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**-**	**-**
Addition during the year	-	-
Revenue recognised during the year	-	-
Closing balance	**-**	**-**

7

Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date (In Years)	Construction Completion date under the concession agreement
JPEPL^	September 16, 2013	September 15, 2038	25.00	October 31, 2014
UEPL	October 16, 2006	January 21, 2027	20.26	July 23, 2009
GEPL^	March 01, 2011	February 28, 2038	27.00	October 31, 2013
DBCPL	March 20, 2008	December 02, 2033	25.71	February 10, 2009
NBPL	October 30, 2007	October 29, 2027	20.00	July 22, 2009
SEPL	February 07, 2011	February 06, 2026	15.00	February 28, 2013
GSHPL	January 30, 2019	February 25, 2037	15.00	February 25, 2022
ANHPL	February 28, 2020	March 11, 2037	15.00	March 11, 2022
RAHPL	January 14, 2020	November 14, 2036	15.00	November 15, 2021
UTPL	September 05, 2010	September 04, 2035	25.00	January 30, 2017
GRICPL	October 24, 2000 February 20, 2003	October 24, 2030 February 20, 2033	30.00	VHRP: October 24, 2000 AMRP: February 20, 2003
STPL	September 27, 2001	September 26, 2031	30.00	TN: May 21, 2004 NI: September 12, 2004

^ For the purpose of preparation of Consolidated financials the Group has considered extension in concession period in JPEPL and GEPL.

i) The above BOT/DBFOT/ HAM projects shall have following rights/ obligations in accordance with the concession agreement entered into with the respective government authorities
   a. Right to use the specified assets
   b. Obligations to provide provision of services to public
   c. Obligations to deliver road assets at the end of concession period

ii) The actual concession period may vary based on terms of the respective concession agreements.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

46. Related party disclosures:

I Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Subsidiaries

Ulundurpet Expressways Private Limited ("UEPL")

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

Godhra Expressways Private Limited ("GEPL")

Dewas Bhopal Corridor Private Limited ("DBCPL")

Shillong Expressway Private Limited ("SEPL")

Jodhpur Pali Expressway Private Limited ("JPEPL")

Udupi Tollway Private Limited ("UTPL") (formerly known as 'Navyuga Udupi Tollway Private Limited') w.e.f. November 02, 2023

Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as 'HG Ateli Narnaul Highway Private Limited') w.e.f. November 22, 2023

Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as 'HG Rewari Ateli Highway Private Limited') w.e.f. November 22, 2023

Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f. November 22, 2023

Gujarat Road And Infrastructure Company Limited ("GRICL") w.e.f. January 24, 2024

Swarna Tollway Private Limited ("STPL") w.e.f. January 24, 2024

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte. Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp*

*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

HC One Project Manager Private Limited

**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (xvi) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f November 23, 2022 and II C. (xiii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust uptil November 22, 2022.

II. List of additional related parties as per Regulation 2(1)(zv) of the SEBI Regulations

A. Parties to Highways Infrastructure Trust

Sponsor Group:

Upon Completion of issuance and allotment of preferential units (refer note 13), the following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the InvIT Regualtions read with the proviso to Regulation(4)(2)(d)(i) of the InvIT Regulations

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Galaxy Investments Pte. Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l
Nebula Asia Holdings II Pte. Ltd. (w.e.f. January 19, 2024)
Nebula I Investments Pte. Ltd. (w.e.f. January 19, 2024)
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. January 19, 2024)
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. January 19, 2024)
KKR Associates AP Infrastructure II SCSp; and (w.e.f. January 19, 2024)
KKR AP Infrastructure II S.à r.l. (w.e.f. January 19, 2024)
Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust (w.e.f November 23, 2022)
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto November 22, 2022)
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f November 14, 2022)
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto November 13, 2022)
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f November 14, 2022)

Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto November 13, 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited(w.e.f November 23, 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto November 22, 2022)

C. Directors / General partners / Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Tang Jin Rong
Goh Ping Hao
Madhura Narawane

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong
Madhura Narawane

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd

Tang Jin Rong
Goh Wei Chong Matthew

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(vi) Managers of KKR AP Infrastructure S.à r.l

Jason Carss (Class A)
Steven Codispoti (Class A)
Thomas Weber (Class B)
Nina Scheid (Class B)

(vii) Directors of Nebula Asia Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Madhura Narawane

(viii) Directors of Nebula I Investments Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Madhura Narawane

(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. January 19, 2024)

Tang Jin Rong
Banerjea Projesh

(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. January 19, 2024)

KKR Associates AP Infrastructure II SCSp

(xi) General Partner of KKR Associates AP Infrastructure II SCSp (w.e.f. January 19, 2024)

KKR AP Infrastructure II S.à r.l.

(xii) Managers of KKR AP Infrastructure II S.à r.l. (w.e.f. January 19, 2024)

Jason Carss (Class A)
Steven Codispoti (Class A)
Thomas Weber (Class B)
Nina Scheid (Class B)

(xiii) Directors/KMP of Virescent Infrastructure Investment Manager Private Limited (details upto November 22, 2022)

Mr. Pradeep Kumar Panja, Independent Director
Mr. Sanjay Grewal, Wholetime Director
Mr. Akshay Jaitly, Independent Director
Mr. Hardik Bhadrik Shah, Director
Mr. Aditya Narayan, Non-executive Director
Ms. Daisy Devassy Chittilapilly, Independent Director
Ms. Charmy bhoot, Company Secretary and Compliance Officer

(xiv) Directors of Virescent Renewable Energy Project Manager Private Limited (details upto November 13, 2022)

Mr. Sanjay Grewal, Director
Mr. Atul Raizada, Director

(xv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director
Mr. Rajesh Kumar Dahiya (Director) (till January 15, 2024)
Mr. Ganesh Sankaran (Director) (till January 15, 2024)
Mr. Sumit Bali (Non-executive Director) (w.e.f January 16, 2024)
Mr. Prashant Joshi (Non-executive Director) (w.e.f January 16, 2024)

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(xvi) Directors/KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrik Shah, Non-executive Director

Mr. Neeraj Sanghi, CEO (KMP), Whole time Director (till March 31, 2024) (refer note B below)

Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f April 01, 2024) (refer note B below)

Dr Zafar Khan, Director (KMP), Joint CEO (w.e.f April 01, 2024) (refer note B below)

Ms. Sudha Krishnan, Independent Director (w.e.f September 14, 2022)

Ms. Ami Vinoo Momaya, Non-executive Director

Mr. Subramanian Janakiraman, Independent Director

Mr. Manish Agarwal, Independent Director (from w.e.f September 14, 2022)

Ms. Kunjal Shah, Company Secretary and Compliance Officer

Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note A below)

Mr. Abhishek Chhajer, Chief Financial Officer (refer note A below)

(xvii)Directors of HC One Project Manager Private Limited

Mr. Neeraj Sanghi, Director (w.e.f September 20, 2022 till March 31, 2024)

Dr Zafar Khan, Director (w.e.f September 20, 2022)

Mr. Abhishek Chhajer (w.e.f April 01, 2024)

A) During the current year, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide it's letter dated August 28, 2023. Mr. Narayanan Doraiswamy held his current position of CFO till December 31, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated September 25, 2023 have approved the appointment of Mr. Abhishek Chhajer as the CFO of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from January 01, 2024 onwards. Mr. Abhishek Chhajer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.

B) During the year ended March 31, 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Wholetime Director of the Highway Concessions One Private Limited ("Investment Manager") till March 31, 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Excetive Officers and Additional Executive Director and Mr. Zafar Khan as Joint Chief Excetive Officers effective from April 01, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited)
Galaxy Investment II Pte Ltd.		
Transaction during the period		
Issue of unit capital	-	37,390.00
Interest on OCD's	-	444.70
Investment in CCD's	-	3,060.00
Distribution to unit-holders^	3,315.00	5,426.24
Balance outstanding at the end of the period		
Unit capital	37,390.00	37,390.00
Nebula Asia Holdings II Pte. Ltd.		
Transaction during the period		
Issue of unit capital	14,900.00	-
Distribution to unit-holders^	660.64	-
Balance outstanding at the end of the period		
Unit capital	14,900.00	-
Highway Concessions One Private Limited		
Transaction during the period		
Reimbursement of expenses	5.49	44.85
Management fees	-	247.43
Transfer out obligation as per actuarial for employee benefit	-	0.86
Investment manager fees	367.20	109.25
Balance outstanding at the end of the period		
Trade and other payables	118.84	151.87
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the period		
Reimbursement of expenses	-	71.25
Investment manager fees	-	2.36
Balance outstanding at the end of the period		
Investment manager fees payable	-	2.16
HC One Project Manager Private Limited		
Transaction during the period		
Project manager fees	171.05	53.55
Advance payment of Project Manager Fees	146.56	44.05
Transfer out obligation as per actuarial for employee benefit	0.07	-
Balance outstanding at the end of the period		
Project manager fees payable (net of advance)	5.89	1.92
Axis Trustee Services Limited		
Transaction during the period		
Trustee fees	1.42	0.83
Initial acceptance fees	0.71	-

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited)
Axis Bank Limited		
Transaction during the period		
Loan taken	1,150.00	494.48
Processing fees	5.43	3.54
Repayment of loan taken	2,325.54	707.33
Interest on loan taken	93.50	25.01
Interest on bank deposits	108.41	8.36
Bank charges	12.50	0.03
Investment in bank deposits	12,527.67	27.70
Redemption of term deposits	12,233.60	533.71
Balance outstanding at the end of the period		
Loan payable	1,617.87	489.48
Interest accrued on bank deposits	88.82	0.25
Outstanding bank deposits	4,373.66	9.98
Closing balance of current account	98.35	10.09

Note: All related party transactions entered during the year were in ordinary course of the business and on arms length basis.

^ Pertains to the distributions made during the financial year along with the distribution related to the last quarter of 2022-23 and does not include the distribution relating to the last quarter of 2023-24 which will be paid after March 31, 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

IV. D. Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No. SEBI/HO/DDHSPoD-2/P/CIR/2023/115 dated July 06, 2023 as amended including any guidelines and circulars issued thereunder are as follows:

For the year ended March 31, 2024:

During the year ended March 31, 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

For the year ended March 31, 2023:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended March 31, 2024:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convetible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs"). Further, during the current year OCDs of JPEPL, NBPL and UEPL were redemeed.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated August 22, 2022. 'Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on August 23, 2022.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

47. Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Group's primary business segment is reflected based on principal business activities carried on by the Group i.e. building, operating and management of road projects and all other related activities which as per IndAS 108 on 'Operating Segments" is considered to be the only reportable business segment. The Group derives its major revenues from operation and maintenance of highways. The Group is operating in India which is considered as a single geographical segment.

48. Group information

(a) Information about subsidiary

The Group's details as at March 31, 2024 is set out below. Unless otherwise stated, they have equity capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	County of incorporation	% equity Interest*	
			As at March 31, 2024	As at March 31, 2023
DBCPL	Construction and operation of road including toll collection/annuity collection	India	100.00%	100.00%
JPEPL		India	100.00%	100.00%
GEPL		India	100.00%	100.00%
UEPL		India	100.00%	100.00%
NBPL		India	100.00%	100.00%
SEPL		India	100.00%	100.00%
GSHPL		India	100.00%	NA
ANHPL		India	100.00%	NA
RAHPL		India	100.00%	NA
UTPL		India	100.00%	NA
GRICL		India	56.80%	NA
STPL		India	100.00%	NA

* refer note 51

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

49. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

Name of Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated comprehensive income
Parent								
Highways Infrastructure Trust	34,404.72	108.80%	(2,353.06)	117.07%	-	0%	(2,353.06)	117.01%
	[9,979.45]	[227.75%]	[839.90]	[245.60%]	-	[0%]	[839.91]	[244.95%]
Subsidiary								
DBCPL	490.91	1.55%	997.88	(49.65%)	(0.03)	2.79%	997.85	(49.62%)
	[671.45]	[15.32%]	[1,020.41]	[298.38%]	[0.05]	[5.58%]	[1,020.46]	[297.61%]
NBPL	(240.71)	(0.76)%	(9.75)	0.49 %	0.02	(2.03%)	(9.73)	0.48 %
	[(230.97)]	[(5.27%)]	[(243.95)]	[(71.33%)]	[(0.02)]	[(2.33%)]	[243.97]	[(71.15%)]
JPEPL	(2,527.35)	(7.99)%	(545.04)	27.12 %	(0.21)	20.21%	(545.24)	27.11 %
	[(1,952.44)]	[(44.56%)]	[(134.10)]	[(39.21%)]	[0.27]	[29.68%]	[(133.84)]	[(39.03%)]
GEPL	(5,326.91)	(16.85)%	(243.51)	12.11 %	(0.10)	9.70 %	(243.61)	12.11 %
	[(3,583.37)]	[(81.78%)]	[(630.10)]	[(184.25%)]	[0.39]	[43.52%]	[(629.71)]	[(183.65%)]
UEPL	(397.30)	(1.26)%	219.38	(10.91%)	(0.27)	26.19%	219.11	(10.90%)
	[(651.39)]	[(14.87%)]	[(427.76)]	[(125.08%)]	[0.09]	[9.86%]	[(427.67)]	[(124.73%)]
SEPL	83.43	0.26%	115.42	(5.74%)	(0.03)	3.25%	115.39	(5.74%)
	[148.93]	[3.40%]	[(82.41)]	[(24.10%)]	[0.12]	[13.69%]	[(82.29)]	[(24.00%)]
GSHPL	(175.00)	(0.55)%	(130.59)	6.50 %	0.03	(2.95)%	(130.56)	6.49 %
	-	-	-	-	-	0.00 %	-	-
ANHPL	139.77	0.44 %	139.79	(6.95)%		0.00 %	139.79	(6.95)%
	-	-	-	-			-	-
RAHPL	(142.21)	(0.45)%	48.64	(2.42)%	0.03	(2.58)%	48.67	(2.42)%
	-	-	-	-			-	-
UTPL	(792.25)	(2.51)%	(795.43)	39.57 %	0.02	(1.64)%	(795.41)	39.55 %
	-	-	-	-			-	-
GRICL	202.33	0.64 %	204.50	(10.17)%	(1.58)	151.50 %	202.93	(10.09)%
	-	-	-	-			-	-
STPL	268.22	0.85 %	265.99	(13.23)%	2.26	(219.67)%	268.23	(13.34)%
	-	-	-	-			-	-
Non Controlling Interest (NCI)	5,634.05	17.82 %	75.79	(3.77)%	(1.19)	115.23 %	74.60	(3.71)%
	-	-	-	-			-	-
Total	**31,621.68**	**100%**	**(2,009.99)**	**100%**	**(1.05)**	**100%**	**(2,011.04)**	**100%**
	[4,381.66]	**[100%]**	**[341.99]**	**[100%]**	**[0.90]**	**[100%]**	**[342.89]**	**[100%]**

Note:-1 Figures in [ ] brackets are previous year figures.

Note:-2 Figures in ( ) brackets are negative figures.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

50. Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Group's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

51. Business combinations

(a)(i) Acquisitions of subsidiaries during the year ended March 31, 2024

During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% shareholding of Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited till December 28, 2023) in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the year ended March 31, 2024, the Trust has acquired 100% stake on November 02, 2023 ('acquisition date') for cash consideration of ₹ 196.05 Mn and UTPL become subsidiary of the Trust. Accordingly, the revenue and corresponding expenses have been included from November 02, 2023 to March 31, 2024 in the consolidated statement of profit and loss for the year ended March 31, 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, there is a gain on bargain purchase due to excess of fair value of intangible assets acquired and liabilities assumed over the cash consideration paid. The aforesaid gain on bargain purchase amounting to ₹ 20.45 Mn is credited to capital reserve in audited financials for the year ended March 31, 2024 in accordance with IND AS 103- Business combinations. Accordingly, necessary impacts have been considered in the audited financials for the year ended March 31, 2024.

During the year ended March 31, 2024, the Trust has entered into a Share Purchase Agreement on May 03, 2023 for acquisition of 100% shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited till December 20, 2023), Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited till December 20, 2023), Gurgaon Sohna Highway Private Limited ('GSHPL') and H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on September 29, 2023 from National Highways Authorities of India ('NHAI') for 3 SPV's viz. Ateli Narnaul Highway Private Limited, Gurgaon Sohna Highway Private Limited and Rewari Ateli Highway Private Limited. Consequently, the Trust acquired 100% issued and paid up share capital of these 3 SPV's on November 21, 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 Mn, ₹ 844.46 Mn and ₹ 757.83 Mn respectively from H.G Infra Engineering Limited. Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

Accordingly, the revenue and corresponding expenses for ANHPL, GSHPL and RAHPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on March 31, 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study ("PPA") in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, necessary impacts have been considered in the financials for the year ended March 31, 2024.

During the year ended March 31, 2024, the Trust has entered into a Share Purchase Agreement on July 28, 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on January 24, 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 Mn and ₹ 20,745.90 Mn respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Accordingly, the revenue and corresponding expenses for GRICL and STPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on March 31, 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. The gain on bargain purchase amounting to ₹ 1,651.53 Mn pertaining to GRICL has been credited to capital reserve in audited financials for the year ended March 31, 2024 in accordance with IND AS 103- Business combinations. Further goodwill amounting to ₹ 3,101.73 Mn has been measured as excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed pertaining to STPL. All necessary impacts have been considered in the audited financials for the year ended March 31, 2024.

(a)(ii) The details of recognised amounts of identifiable net assets of the business combination are as follows as at 01 November 2023 for "UTPL", November 21, 2023 for "GSHPL", "ANHPL", "RAHPL" and January 24, 2024 for "GRICL" and "STPL":

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Non-current assets							
Property, plant and equipment	7.66	-	3.60		78.68	144.00	233.94
Work in Progress	5.61	-	-	-	-	0.32	5.93
Intangible assets	9,486.70	-	-	-	12,604.10	16,755.21	38,846.01
Financial assets							
Receivables under service concession arrangements		2,398.86	3,571.93	2,221.22			8,192.01
Others	3.63	-	-	-	1.92	103.15	108.70
Deferred tax assets (net)	-	5.35	-	-	-	-	5.35
Non-current tax assets (net)	4.90	38.84	20.93	13.78	67.58	-	146.03
Other non-current assets	4.68	83.21	121.07	97.64	38.82	-	345.42
Total non-current assets	**9,513.18**	**2,526.26**	**3,717.53**	**2,332.64**	**12,791.10**	**17,002.68**	**47,883.39**
Current assets							
Financial assets							
Investments	-	-	-	-	362.64	-	362.64
Trade receivables	7.77	7.36	-	17.47	431.90	-	464.50
Cash and cash equivalents	55.57	88.28	297.10	336.68	182.96	169.49	1,130.08
Bank balances other than cash and cash equivalents above	243.99	253.92	257.50	-	3,687.60	2,458.25	6,901.26
Receivables under service concession arrangements	-	453.35	694.03	415.50	-	-	1,562.88
Others	-	2.93	20.83	2.89	59.02	1,717.20	1,802.87
Plan assets - Gratuity	-	-	-	-	2.96	-	2.96
Other current assets	54.42	98.05	135.00	76.44	12.25	51.05	427.21
Total current assets	**361.75**	**903.89**	**1,404.46**	**848.98**	**4,739.33**	**4,395.99**	**12,654.40**
Total assets	**9,874.93**	**3,430.15**	**5,121.99**	**3,181.62**	**17,530.43**	**21,398.67**	**60,537.79**
Non-current liabilities							
Financial liabilities							
Borrowings	7,938.89	2,384.11	2,882.57	1,819.06	964.28	465.95	16,454.86
Other financial liabilities	1.02	-	-	-		-	1.02
Provisions for Major mentenance	-	-	-	-	462.77	-	462.77
Provisions for Employee Benefits	0.89	-	-	-	5.03	14.61	20.53
Other Provisions	-	-	-	-	-	-	-
Deferred tax liabilities (net)	-	-	214.35	133.25	2,696.76	2,046.68	5,091.04
Other non-current liabilities	-	-	-	-	34.58	-	34.58
Total non-current liabilities	**7,940.80**	**2,384.11**	**3,096.92**	**1,952.31**	**4,163.42**	**2,527.24**	**22,064.80**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Current liabilities							
Financial liabilities							
Borrowings	274.73	166.95	212.83	121.81	245.34	116.50	1,138.16
Trade payables							
Due to micro and small enterprises	4.40	-	-	-	4.21	4.21	12.82
Due to others	313.80	7.36	-	-	52.66	138.04	511.86
Other financial liabilities		27.11	300.48	349.65	85.78	52.38	815.40
Other current liabilities	110.08	0.16	0.27	0.02	10.17	11.80	132.50
Provisions Major Maintenance	1,008.01	-	-	-	100.55	890.88	1,999.44
Provisions for Employee Benefits	0.30	-	-	-	0.12	3.96	4.39
Other Provisions	6.31	-	-	-	-	9.49	15.80
Total current liabilities	**1,717.63**	**201.58**	**513.58**	**471.48**	**498.83**	**1,227.26**	**4,630.37**
Total liabilities	**9,658.43**	**2,585.69**	**3,610.50**	**2,423.79**	**4,662.25**	**3,754.50**	**26,695.17**
Net assets acquired	**216.50**	**844.46**	**1,511.49**	**757.83**	**12,868.19**	**17,644.17**	**33,842.62**

(a)(iii) Calculations of Goodwill/(Capital Reserve):-

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Purchase consideration (excluding transaction related cost)	196.05	844.31	1,511.23	757.69	5,656.37	20,742.80	29,708.45
Transaction related cost	-	0.15	0.26	0.13	0.85	3.10	4.49
Total purchase consideration	196.05	844.46	1,511.49	757.83	5,657.22	20,745.90	29,712.93
Non-controlling interest based on their proportionate interest in the recognised amounts of the assets and liabilities	-	-	-	-	5,559.44	-	5,559.44
Fair value of net assets acquired	216.50	844.46	1,511.49	757.83	12,868.19	17,644.17	33,842.62
Total	**(20.45)**	**-**	**-**	**-**	**(1,651.53)**	**3,101.73**	**1,429.75**

Disclosed in financial statements as :	Amount
Goodwill (refer note 5A)	3,101.73
Capital reserve (refer note 16)	(1,671.99)
Net	**1,429.74**

The above numbers have been calculated using the Project SPVs Special Purpose financial statement for the period April 01, 2023 to November 02, 2023 for UTPL, April 01, 2023 to November 21, 2023 for GSHPL, ANHPL, RAHPL and April 01, 2023 to January 24, 2024 for GRICL and STPL.

(a)(iv) Revenue and loss after tax from the date of acquisition till March 31, 2024

Particulars	UTPL	GSHPL	ANHPL	RAHPL	GRICL	STPL	Total
Revenue	4,908.85	122.22	228.00	182.83	716.46	747.93	6,906.29
(Loss)/ Profit after tax	(1,281.52)	(133.19)	36.79	(6.70)	172.10	453.08	(759.44)

Revenue and Profit after tax from the date of beginning of financial year i.e April 01, 2023 till March 31, 2024, considering acquisitions had occurred on April 01, 2022 of Group

Particulars	Amount
Revenue	22,497.95
Loss after tax	1067.60

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

51A Business Combination

(b) (i) Acquisitions of subsidiaries during the year ended March 31, 2023

Highways Infrastructure Trust ('the Trust') acquired the following companies

(Project SPV's) as at August 23, 2022 : (i) Dewas Bhopal Corridor Private Limited

(ii) Nirmal BOT Private Limited

(iii) Jodhpur Pali Expressway Private Limited

(iv) Godhra Expressways Private Limited

(v) Ulundurpet Expressways Private Limited (vi) Shillong Expressway Private Limited

During the previous year, the Trust acquired the SPVs (as stated above) which are engaged in the design, construction, development, operation and maintenance of roads and highways on August 23, 2022 for an equity consideration of ₹ 31,715.33 Mn. Galaxy Investments II Pte Limited had earlier acquired "DBCPL", "NBPL", "JPEPL", "GEPL" and "UEPL" on 17 December 2021 and "SEPL" on January 13, 2022.

Pursuant to IND AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and project SPV's are ultimately controlled by Galaxy Investments II Pte Limited both before and after the acquisition. Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has prepared comparative financial information for period December 03, 2021 to December 31, 2021 as if the acquisition had occurred on December 17, 2021 for "DBCPL", "NBPL", "JPEPL", "GEPL" and "UEPL" and January 13, 2022 for "SEPL", irrespective of the actual date of the combination which is August 23, 2022 and the difference between the purchase consideration and the value of net identifiable assets acquired has been adjusted with the "Amalgamation Adjustment Deficit Account" in other equity.

Statement showing number of units allotted to Galaxy Investment II Pte. Ltd. ('sponsor') in exchange of control of (Project SPV's):

Name of SPVs	Description	Net Assets	Purchase consideration	Number of units allotted
UEPL	Units of the Trust	2,645.52	3,004.95	30,049,464
JPEPL	Units of the Trust	0.62	3,863.25	38,632,547
NBPL	Units of the Trust	315.00	354.41	3,544,114
GEPL	Units of the Trust	233.81	11,167.09	111,670,920
DBCPL	Units of the Trust	1.00	12,969.36	129,693,587
SEPL	Units of the Trust	5.00	356.27	3,562,683
		3,200.95	**31,715.33**	**317,153,315**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(b)(ii) The details of recognised amounts of identifiable net assets of the business combination are as follows as at December 17, 2021 for "DBCPL", "NBPL", "JPEPL", "GEPL" and "UEPL" and January 13, 2022 for "SEPL:

Particulars	DBCPL	GEPL	JPEPL	NBPL	SEPL	UEPL	Total
Non-current assets							
Property, plant and equipment	18.16	9.94	17.03	10.21	2.56	13.36	71.26
Capital work-in-progress	-	-	15.37	-	-	-	15.37
Intangible assets	3,666.79	8,057.32	3,925.10	-	0.00	4,879.49	20,528.70
Financial assets							
Investment	-	306.00	-	-	-	-	306.00
Others	0.53	0.49	1.01	1,133.11	418.83	2.38	1,556.35
Deferred tax assets (net)	113.38	-	-	-	-	-	113.38
Non-current tax assets (net)	-	-	-	16.93	-	8.44	25.37
Other non-current assets	-	-	-	-	-	0.37	0.37
Total non-current assets	**3,798.86**	**8,373.75**	**3,958.51**	**1,160.25**	**421.39**	**4,904.04**	**22,616.80**
Current assets							
Financial assets							
Investments	927.46	-	64.87	150.61	240.11	575.57	1,958.62
Trade receivables	3.20	-	27.50	0.05	-	16.09	46.84
Cash and cash equivalents	8.89	486.26	5.21	0.95	2.75	10.22	514.28
Bank balances other than cash and cash equivalents above	233.50	138.32	242.65	14.47	505.74	394.92	1,529.60
Others	2.62	3.53	1.64	508.29	240.80	0.17	757.06
Other current assets	25.83	8.33	10.80	8.67	6.64	28.80	89.07
Current tax assets (net)	28.14	22.18	4.91	-	16.45	-	71.68
Total current assets	**1,229.64**	**658.62**	**357.57**	**683.04**	**1,012.50**	**1,025.77**	**4,967.14**
Total assets	**5,028.50**	**9,032.37**	**4,316.08**	**1,843.29**	**1,433.89**	**5,929.81**	**27,583.94**
EQUITY							
Other equity	1,655.08	(2,829.05)	(1,437.53)	(122.76)	166.23	(692.21)	(3,260.24)
Total equity	**1,655.08**	**(2,829.05)**	**(1,437.53)**	**(122.76)**	**166.23**	**(692.21)**	**(3,260.24)**
Non-current liabilities							
Financial liabilities							
Borrowings	2,759.60	3,995.59	2,503.96	1,063.30	444.79	2,930.79	13,698.03
Other financial liabilities	-	1,115.96	164.20	-	-	0.24	1,280.40
Provisions	2.00	23.65	4.52	0.39	0.82	242.38	273.76
Deferred tax liabilities (net)	-	861.37	142.62	-	-	-	1,003.99
Total non-current liabilities	**2,761.60**	**5,996.57**	**2,815.32**	**1,063.69**	**445.60**	**3,173.41**	**16,256.19**
Current liabilities							
Financial liabilities							
Borrowings	106.17	5,167.38	2,436.60	500.80	790.67	712.70	9,714.32
Trade payables							
Due to micro and small enterprises	-	-	-	0.08	-	-	0.08
Due to others	0.23	42.90	9.27	44.83	1.34	0.28	98.85
Other financial liabilities	58.03	302.18	78.97	36.95	24.87	61.80	562.80
Other current liabilities	1.83	1.24	1.46	0.31	0.11	3.96	8.91
Provisions	444.56	117.34	411.37	0.03	0.06	24.35	997.71
Current tax liabilities (net)	-	-	-	4.36	-	-	4.36
Total current liabilities	**610.82**	**5,631.04**	**2,937.68**	**587.36**	**817.05**	**803.09**	**11,387.04**
Total liabilities	**3,372.42**	**11,627.61**	**5,752.99**	**1,651.05**	**1,262.65**	**3,976.50**	**27,643.22**
Total equity and liabilities	**5,027.50**	**8,798.56**	**4,315.47**	**1,528.30**	**1,428.88**	**3,284.29**	**24,382.99**
Net assets acquired	**1.00**	**233.81**	**0.62**	**315.00**	**5.00**	**2,645.52**	**3,200.95**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(b)(iii) Calculations of Amalgamation Adjustment Deficit

Particulars	DBCPL	GEPL	JPEPL	NBPL	SEPL	UEPL	Total
Purchase consideration	12,969.36	11,167.09	3,863.25	354.41	356.27	3,004.95	31,715.33
Less: Net assets acquired	1.00	233.81	0.62	315.00	5.00	2,645.52	3,200.95
Amalgamation Adjustment Deficit	**12,968.36**	**10,933.28**	**3,862.64**	**39.42**	**351.27**	**359.43**	**28,514.38**

The above numbers have been calculated using the Project SPVs Special Purpose financial statement for the period April 01, 2021 to December 17, 2021, (in case of all SPVs except SEPL) and January 13, 2022 (in case of SEPL)

52 (A) Trade receivable ageing

As at March 31, 2024

Particulars	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	308.08	2.32	0.26	-	310.66
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-
Total	**308.08**	**2.32**	**0.26**	**-**	**310.66**

As at March 31, 2023

Particulars	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	0.16	-	-	-	0.16
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful		-	-	-	-
Total	0.16	-	-	-	0.16

(B) Trade payable ageing

As at March 31, 2024	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	9.76	27.43	0.17	0.12	-	37.48
(ii) Undisputed dues - Others	1,083.27	170.51	15.10	10.59	1.30	1,280.76
(iii) Disputed dues - MSME	-	-	0.16	0.20	0.17	0.54
(iv) Disputed dues - Others	-	-	0.02	-	4.86	4.88
Total	**1,093.03**	**197.94**	**15.45**	**10.91**	**6.33**	**1,323.66**

As at March 31, 2023

As at March 31, 2023	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	6.72	3.46	-	-	-	10.18
(ii) Undisputed dues - Others	182.23	172.51	12.14	10.39	0.26	377.53
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**188.95**	**175.97**	**12.14**	**10.39**	**0.26**	**387.71**

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

53. The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on December 23, 2021 having registration number IN/ InvIT/ 21-22/ 0019.

54. Distribution related to 2022-23:

The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 Mn in their meeting held on May 19, 2023 and the aforesaid distribution was paid to eligible unitholders on May 30, 2023.

Distribution related to 2023-24:

The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 Mn, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 Mn and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 Mn in their meeting held on August 11, 2023, November 09, 2023 and February 06, 2024 respectively and the aforesaid distribution was paid to eligible unitholders on August 22, 2023, November 21, 2023 and February 16, 2024 respectively. Subsequent to year end March 31, 2024, the Board of Directors of the Investment Manager of the Trust have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 Mn in their meeting held on May 16, 2024. Accordingly, the total distribution for the financial year ended March 31, 2024 stands at ₹ 16.5576 per unit.

Further the yield per unit for the financial year ended March 31, 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended March 31, 2024/NAV per unit as disclosed in the financial statements as at March 31, 2024.)

55. During the previous year ended March 31, 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on October 19, 2022 for GEPL and DBCPL and on November 29, 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on February 27,2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on March 20, 2023 and the impacts of the same were considered in the previous year ended March 31, 2023. During the year ended March 31, 2024, the Hon'ble NCLT has approved the capital reduction scheme of GEPL on June 12, 2023 and final certificate of registration from Registrar of Companies, Mumbai was received on August 14, 2023 and the impacts of the same have been considered in the audited consolidated financial statements for the year ended March 31, 2024. In UEPL, the Capital reduction Scheme was heard on June 23, 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on October 03, 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated January 10, 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on January 19, 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to re-consider the scheme. The Trust has filled appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on February 02, 2024. Further, the matters were partially heard on May 02, 2024 and have been adjourned till May 16, 2024.

56. Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended March 31, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

(iii) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: -

Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Unlimited Beneficiaries) or - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iv) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: -

Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ny or on behalf of the Trust (Unlimited Beneficiaries) or - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vi) The Group does not have any transactions with struck - off companies.

(vii) The Group has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.

57. During the year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on August 30, 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd ('Sponsor of the Trust'). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

58. During the year ended March 31, 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on January 15, 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:

(i) PNC Rajasthan Highways Private Limited ("PRHPL");
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");
(iii) PNC Aligarh Highways Private Limited ("PAHPL");
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
(v) PNC Khajuraho Highways Private Limited ("PKHPL");
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
(x) PNC Unnao Highways Private Limited ("PUHPL");
(xi) PNC Gomti Highways Private Limited ("PGHPL") and
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

59. Project manager and Investment manager fees

(i) Project management fees

Pursuant to the Project Management Agreement dated August 08, 2022 with the erstwhile Project Manager i.e Virescent Renewable Energy Project Manager Private Limited, Project Manager was entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis to be borne by the project SPVs, for the

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statements for the year ended March 31, 2024 includes amount of ₹ Nil (for the year ended March 31, 2023: ₹ Nil) towards project manager fees paid to Virescent Renewable Energy Project Manager Private Limited who was Project Manager till November 13, 2022. Subsequently pursuant to the Project Management Agreement with the project manager i.e. HC One Project Manager Limited dated October 20, 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis, or on such other shorter basis as may be mutually agreed, to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statement for the year ended March 31, 2024 includes amount of ₹ 171.05 Mn (for the year ended March 31, 2023: ₹ 53.55 Mn) toward project manager fees paid to HC One Project Manager Limited who is appointed as Project Manager w.e.f November 14, 2022.

(ii) Investment management fees

Pursuant to the Investment Management Agreement dated December 06, 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Consolidated financial statements for the year ended March 31, 2024 includes amount of ₹ Nil (for the year ended March 31, 2023: ₹ 2.36 Mn) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till November 22, 2022. Subsequently, pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concession One Private Limited dated October 20, 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs') in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Consolidated financial statements for the year ended March 31, 2024 includes amount of ₹ 367.20 Mn (for the year ended March 31, 2023: ₹ 109.25) towards Investment Manager Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f November 23, 2022.

60. During the year ended March 31, 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on January 19, 2024.

61. During the year ended March 31, 2024, Board of directors of Investment Manager of the Trust have approved following matters on October 20, 2023:

(i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 Mn in one or more series or tranches on a private Placement basis to the eligible investors; and.

(ii) Availing additional rupee term loan facility upto ₹ 19,000 Mn.

The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750.00 Mn at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 Mn. The CPs was listed with Bombay Stock Exchange Limited on October 31 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹ 19,000.00 Mn out of which Trust has received disbursement of ₹ 14,248.43 Mn from lenders on November 02, 2023, November 21, 2023, November 22, 2023, January 04, 2024, March 18, 2024 and March 21, 2024.

Summary of material accounting policy information and other explanatory information for the year ended March 31, 2024 (Contd.)

(All amounts in ₹ Mn unless otherwise stated)

62. Subsequent to the year ended March 31, 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on April 04, 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on April 08, 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on April 17, 2024 for GSHPL and April 24, 2024 for ANHPL. The subsequent hearings are scheduled for July 24, 2024 for GSHPL and August 07, 2024 for ANHPL.

63. The consolidated financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on May 16, 2024

64. All values are rounded to the nearest Mn, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.

65. Previous year figures have been reclassified/regrouped wherever necessary to confirm to current year classification. The impact of the same is not material to the user of the consolidated financial statements

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: May 16, 2024

For and on behalf of Board of Directors of
Highway Concessions One Private Limited
(as Investment Manager of Highways Infrastructure Trust)

Dr. Zafar Khan
Joint CEO
DIN: 07641366

Place: Mumbai
Date: May 16, 2024

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: May 16, 2024

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2024

Notice of the Second Annual General Meeting

NOTICE is hereby given that the Second Annual General Meeting ("**AGM**") of the Unitholders ("**Unitholders**") of Highways Infrastructure Trust ("**Trust**") will be held on Thursday, July 25, 2024 at 11:30 a.m. (IST) through Video Conferencing ('**VC**')/ Other Audio-Visual Means ('**OAVM**') without the physical presence of the Unitholders and the deemed venue for the meeting shall be at the principal place of business of the Trust (i.e. 601-602, 6th Floor, Windsor House, off CST Road, Kalina, Santacruz (East), Mumbai -98), in accordance with the provisions of the Securities and Exchange Board of India (Infrastructure Investment HITs) Regulations, 2014 ("**SEBI InvIT Regulations**") read with all relevant circulars issued by SEBI in this regard, from time to time, to transact the businesses mentioned below: -

ORDINARY BUSINESS:

ITEM NO. 1:

TO CONSIDER AND ADOPT AUDITED STANDALONE FINANCIAL STATEMENTS AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF HIGHWAYS INFRASTRUCTURE TRUST AS AT AND FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 TOGETHER WITH THE REPORT OF THE AUDITORS AND THE REPORT ON PERFORMANCE OF HIGHWAYS INFRASTRUCTURE TRUST FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024.

To consider and if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of a resolution are required to be more than the votes cast against the resolution) in terms of Regulation 22(3) of SEBI InvIT Regulations.

"RESOLVED THAT pursuant to the applicable provisions, if any, of the SEBI (Infrastructure Investment Trust) Regulations, 2014 and the circulars, clarifications, notifications, and guidelines issued thereunder, and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of Highways Infrastructure Trust ("**Trust**") as at and for the financial year ended March 31, 2024 together with the Report of the Auditors and the report on the performance of Trust be and are hereby approved and adopted."

"RESOLVED FURTHER THAT the Board of Directors, Joint Chief Executive Officers, Chief Financial Officer, General Counsel and Company Secretary of Highway Concessions One Private Limited (the "**Investment Manager**") be and are hereby severally authorised on behalf of the Trust to inform all concerned, in such form and manner as may be required or is necessary and also to execute such agreements, letters and other writings in this regard, including delegation of all, or any of these powers and to do all acts, deeds, things, and matters as may be required or are necessary to give effect to this resolution or as otherwise considered by the Board of Directors of the Investment Manager, to be in the best interest of Trust, as it may deem fit."

ITEM NO. 2:

TO CONSIDER AND ADOPT THE VALUATION REPORT OF THE ASSETS OF THE TRUST FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024.

To consider and if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution) in terms of Regulation 22(3) of the SEBI InvIT Regulations.

"**RESOLVED THAT** pursuant to Regulations 10., 13, 21, 22 and Schedule V of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time, read with circulars and guidelines issued thereunder and other applicable provisions, if any, (including any statutory modification or reenactment thereof for the time being in force), the Valuation Report of Trust for the financial year ended March 31, 2024 issued by Mr. S. Sundararaman, Registered Valuer IBBI (Registration no.: IBBI/RV/06/2018/10238) as an Independent Valuer for Trust as on May 10, 2024 providing for the assets of Trust, be and is hereby approved and adopted."

ITEM NO. 3:

TO CONSIDER AND APPROVE THE APPOINTMENT OF VALUER OF THE TRUST FOR THE FINANCIAL YEAR 2024-25 AND FIX THEIR REMUNERATION.

To consider and appoint Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number IBBI/RV/06/2018/10238), as the Independent Valuer of the Trust for the financial year 2024-25 and, if thought fit, to pass with or without modification(s), the following resolution by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution by unit holders, so entitled and voting) in terms of regulation 22(3) of the SEBI InvIT Regulations.

"RESOLVED THAT pursuant to the provisions of Regulations 10(5), 21, 22 and other applicable provisions of Securities and Exchange Board of India (Infrastructure Investment

Notice of the Second Annual General Meeting (Contd.)

Trust) Regulations, 2014, as amended from time to time, read with circulars and guidelines issued thereunder and other applicable provisions, if any, ("**SEBI InvIT Regulations**") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Appointment of Auditor and Valuer Policy of Highways Infrastructure Trust ("**Trust**"), the appointment of Mr. S. Sundararaman (IBBI Registration Number IBBI/RV/06/2018/10238) ("**Valuer**") who has confirmed his eligibility in terms of provisions of the SEBI InvIT Regulations, as the valuer of all assets held by the Trust for financial year 2024-2025,at a remuneration not exceeding ₹ 10,00,000 (Rupees Ten Lakhs only) (plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred, if any) for undertaking the annual valuation for the assets currently held by the Trust and such additional remuneration as may be mutually agreed by and between Highway Concessions One Private Limited (the "**Investment Manager**") and the Valuer for any new assets acquired in future or additional valuations that may be required, and on such other terms and conditions, as may be mutually agreed by and between the Investment Manager and the Valuer, is be and hereby approved."

"RESOLVED FURTHER THAT the Board of Directors, Joint Chief Executive Officers, Chief Financial Officer, General Counsel and Company Secretary of Highway Concessions One Private Limited (the **"Investment Manager"**) be and is hereby severally authorised to finalise the terms and conditions of the aforesaid appointment, including any additional remuneration and to inform all regulatory, statutory and governmental authorities, as may be required under applicable laws, and in such form and manner as may be required or necessary and also to execute such agreements, letter and other writings and to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Investment Manager to be in the best interest of the Trust, as it may deem fit."

For **Highways Infrastructure Trust**

By Order of the Board
Highway Concessions One Private Limited
(as the Investment Manager of Highways Infrastructure Trust)

Sd/-
Kunjal Shah
Company Secretary and Compliance Officer
Date: June 29, 2024
Place: Mumbai

Principal Place of Business and Contact Details of Trust:
Highways Infrastructure Trust
601-602, 6th Floor, Windsor House, Off CST Road,
Kalina, Santacruz East, Mumbai-400098
SEBI Registration Number: IN/InvIT/21-22/0019
Tel: +91 75063 33447
E-mail: Compliance.highwaysinvit@highwayconcessions.com
Website: www.highwaystrust.com
Compliance Officer: Ms. Kunjal Shah

Registered Office and Contact Details of the Investment Manager:
Highway Concessions One Private Limited
601-602, 6th Floor, Windsor House, Off CST Road,
Kalina, Santacruz East, Mumbai-400098
CIN: U45200MH2010PTC208056
Email Id: Compliance.highwaysinvit@highwayconcessions.com
Contact Person: Ms. Kunjal Shah

Notice of the Second Annual General Meeting (Contd.)

NOTES:

1. Pursuant to Regulation 22(3)(a) of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**") read with SEBI circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 (the "**SEBI Circular**") and other relevant circulars issued by SEBI in this regard, from time to time, the Second Annual Meeting ('**AGM**') of the Trust is being held through Video Conferencing ('**VC**') or Other Audio Visual Means ('**OAVM**') which does not require the physical presence of the Unitholders at a common venue, subject to the fulfilment of conditions as specified in the relevant circulars issued thereunder. In compliance with the aforesaid, unitholders can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the principal place of business of Trust.
2. The explanatory statement stating all material facts and the reasons for the proposed resolution is annexed herewith.
3. Since this AGM is being held pursuant to the SEBI Circular through VC / OAVM, physical attendance of Unitholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Unitholders will not be available for the AGM, and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. The Investment Manager on behalf of Highways Infrastructure Trust ("**Trust**") has engaged the services of M/s. Link Intime India Private Limited ("**Link Intime**"), the Registrar and Transfer Agent ("**RTA**") of the Trust for the purpose of providing a remote e-voting facility to the Unitholders. The detailed instructions for e-Voting are attached as "Annexure- I" to this Notice.
5. Ms. Deepti Kulkarni (Certificate of Practice No. 22502), failing her Mr. Omkar Dindorkar (Certificate of Practice No. 24580), Partners of M/s MMJB & Associates LLP., Practicing Company Secretaries ("**Scrutiniser**") is appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
6. The Second Annual General Meeting Notice is being sent to Unitholders on their registered/ updated/ available email Ids with the Trust/ RTA except for those Unitholders whose email Ids are not registered/ updated/ available with the Trust and/or RTA. The Notice can also be accessed from the website of the TRUST: www.highwaystrust.com as well on National Stock Exchange, the designated stock exchange on which the units of the Trust are listed. The Unitholders shall vote through electronic mode only as per the instructions for e-voting provided in the Notice.
7. Only those Unitholders whose names are recorded in the Register of Beneficial Owners maintained by the Depositories as on the close of business hours on cut-off date i.e. June 21, 2024 will be entitled to cast their votes.
8. Only those Unitholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on resolutions through a remote e-Voting and are otherwise not barred from doing so, may cast their vote during the AGM through the e-Voting system in the AGM.
9. The Unitholders who have cast their vote by remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.
10. The voting rights of Unitholders shall be in proportion to their Units of the Unit capital of Trust as on the cut-off date i.e. June 21, 2024.
11. Wherever required or possible, the Unitholders are requested to address all correspondence including distribution matters to the RTA by e-mail to ganesh.jadhav@linkintime.co.in or to the Company Secretary and Compliance officer of the Trust by e-mail to compliance.highwaysinvit@highwayconcessions.com.
12. Institutional Unitholders (i.e. other than individuals, HUF, NRI etc.) who are voting through their authorised signatory(ies) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorised signatory(ies), to the RTA by e-mail to ganesh.jadhav@linkintime.co.in and to the Company Secretary and Compliance officer of the Trust by e-mail to compliance.highwaysinvit@highwayconcessions.com. It is also requested to upload the same in the e-voting module in their login.
13. All the documents referred to in the accompanying notice, shall be available for inspection through electronic mode, basis the request being sent to the Company Secretary and Compliance officer of the Trust by e-mail to compliance.highwaysinvit@highwayconcessions.com.
14. The Unitholders can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time for commencement of AGM by following the procedure mentioned in the Notice. The detailed instructions for

Notice of the Second Annual General Meeting (Contd.)

joining the Meeting through VC/OAVM forms part of the Notes to this Notice.

15. The attendance of the Unitholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum.

16. The results declared along with Scrutiniser's Report(s) will be available on the website of Trust (www.highwaystrust.com) and on Linkintimes' website (www.instavote.linkintime.co.in) within two (2) days of passing of the resolutions and communication of the same to the National Stock Exchange of India Limited.

17. The Securities and Exchange Board of India (the "SEBI") has mandated the submission of a Permanent Account Number ("**PAN**") by every participant in the securities market. Unitholders are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

18. Unitholders who have not registered their email address so far are requested to register their email address for receiving all communication including annual reports, notices, circulars etc. from the Investment Manager, on behalf of Trust, electronically.

EXPLANATORY STATEMENT

The following statement set out the material facts and reasons for the proposed resolution stated in the accompanying notice above:

ITEM NO. 3

TO CONSIDER AND APPROVE THE APPOINTMENT OF VALUER OF THE TRUST FOR THE FINANCIAL YEAR 2024-25 AND FIX THEIR REMUNERATION.

Under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, a valuer is required to be appointed to carry out valuation of assets of the Trust. Further, such valuer is required to be a "**Registered Valuer**" under section 247 of the Companies Act, 2013 or should have such qualifications as may me prescribed by the Securities and Exchange Board of India ("SEBI") from time to time. In this regard, as per the policy of "Appointment of Auditor and Valuer Policy", Highway Concessions One Private Limited, the investment manager of Highways Infrastructure Trust ("**Trust**") has appointed Mr. S. Sundararaman ("**Valuer**") holding IBBI Registration Number IBBI/RV/06/2018/10238, as the valuer of assets of the Trust for the financial year 2024-25.

Mr. S. Sundararaman is a fellow member of the Institute of Chartered Accountants of India, Graduate member of the Institute of Cost and Works Accountants of India, Information Systems Auditor (DISA of ICAI) and has completed the Post Qualification Certification courses of ICAI on IFRS, Valuation.

He is a registered Insolvency Professional and a Registered Valuer for Securities or Financial Assets, having been enrolled with the Insolvency and Bankruptcy Board of India (IBBI) after passing the respective examinations. He possesses more than 29 years of experience in servicing large and medium sised clients. He is a partner at Haribhakti & Co. LLP.

It is proposed to pay a remuneration not exceeding ₹ 10,00,000 (Rupees Ten Lakhs only) (plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred, if any) for undertaking the annual valuation for the assets currently held by the Trust for 2024-2025. However, in the event additional assets are acquired, or any additional interim valuation services are obtained from the Valuer, additional consideration will be required to be paid. For the purpose of determining such additional remuneration and other terms of appointment, Highway Concessions One Private Limited (the "**Investment Manager**") as the investment manager of the Trust is seeking the delegated authority from the unitholders.

Accordingly, the approval of the unitholder is sought for appointment of Mr. S. Sundararaman in the Resolution set out at Item No. 3 of the accompanying Notice.

No director or affiliate of the Investment Manager is interested in the resolution.

The Investment Manager recommends the resolution as set out in the Notice for your approval by way of a simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution).

THE INSTRUCTIONS FOR UNITHOLDERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on "**Login**".

   Select the "**Company**" and '**Event Date**' and register with your following details: -

   A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

   - Unitholders holding units in **CDSL demat account shall provide 16 Digit Beneficiary ID**
   - Unitholders holding units in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
   - Unitholders holding units in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Unitholders who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Unitholders to Speak during the General Meeting through InstaMeet:

1. Unitholders who would like to speak during the meeting must register their request with the company.
2. Unitholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Unitholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Unitholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Unitholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, Unitholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Unitholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of units (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

   Note: Unitholders, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Unitholders who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Unitholders are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Unitholders are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Unitholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case Unitholders have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Remote e-Voting Instructions for Unitholders:

Login method for Individual Unitholders holding securities in demat mode is given below:

Individual Unitholders holding securities in demat mode with NSDL: METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

Notice of the Second Annual General Meeting (Contd.)

b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "

b) Proceed with updating the required fields.

c) Post registration, user will be provided with Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/

b) Click on the "Login" tab available under 'Unitholders' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Unitholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

a) Visit URL: https://web.cdslindia.com/myeasinew/home/login or www.cdslindia.com.

b) Click on New System Myeasi

c) Login with user id and password

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

a) To register, visit URL: https://web.cdslindia.com/myeasinew/Registration/EasiRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Unitholders holding securities in demat mode with Depository Participant:

Individual Unitholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, unitholders shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, unitholders will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Non-Individual Unitholders holding securities in demat mode is given below:

Non-Individual Unitholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in
2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. User ID:

Unitholders holding units in physical form shall provide Event No + Folio Number registered with the Company. Unitholders holding units in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Unitholders holding units in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Unitholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Unitholders holding units in **NSDL form**, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on '**Login**' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**'

   (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional Unitholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organisation ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

Notice of the Second Annual General Meeting (Contd.)

c) Map the Investor with the following details:

   a. 'Investor ID' -

      i. Unitholders holding units in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

      ii. Unitholders holding units in CDSL demat account shall provide 16 Digit Beneficiary ID.

   b. 'Investor's Name - Enter full name of the entity.

   c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

   d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual Unitholders holding securities in physical form/ Non-Individual Unitholders holding securities in demat mode:

Unitholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Unitholders holding securities in demat mode:

Individual Unitholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Unitholders holding securities in demat mode with NSDL	Unitholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Unitholders holding securities in demat mode with CDSL	Unitholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Institutional Unitholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Unitholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**Corporate Body/ Custodian/Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organisation ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case Unitholders is having valid email address, Password will be sent to his / her registered e-mail address. Unitholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Unitholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Unitholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Unitholders holding units in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, Unitholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

Corporate Information

Highways Infrastructure Trust

601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai– 400098, Maharashtra, India
SEBI registration number: IN/InvIT/21-22/0019
Date of registration with the SEBI: December 23, 2021

Website: www.highwaystrust.com
Tel: +91 7506333447
E-mail: Compliance.highwaysinvit@highwayconcessions.com

Current Board of Directors

Name of Member

Mr. Hardik Bhadrik Shah, Non-Executive Director

Ms. Ami Momaya, Non-Executive Director

Mr. Gaurav Chandna, Joint CEO and Additional Executive Director

Mr. Janakiraman Subramanian, Independent Director

Ms. Sudha Krishnan, Independent Director

Mr. Manish Agarwal, Independent Director

Mr. Rajesh Pandey, Independent Director

Mr. Stefano Ghezzi, Nominee Director

Current Key Managerial Team

Mr. Gaurav Chandna
Joint CEO and Additional Executive Director

Mr. Zafar Khan
Joint CEO

Mr. Abhishek Chhajer
Chief Financial Officer

Ms. Meghana Singh
General Counsel

Compliance Officer

Ms. Kunjal Shah
Company Secretary and Compliance Officer
Tel: +91 22 61073209
E-mail: kunjal.shah@highwayconcessions.com

InvIT Trustee

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound
Pandurang Budhkar Marg, Worli
Mumbai - 400 025, Maharashtra, India
Contact Person: Mr. Anil Grover
Tel: +91 22 6230 0451
E-mail: debenturetrustee@axistrustee.in

Debenture Trustee

Catalyst Trusteeship Limited
901, 9th Floor, Tower B,
Peninsula Business Park, Senapati Bapat Marg,
Lower Parel, Mumbai – 400013.
Phone No.: 022-49220548
E-mail: priti.shetty@ctltrustee.com

Securities Information

Units listed on National Stock Exchange (NSE)
Scrip Symbol: HIGHWAYS
ISIN: INE0KXY23015

Debentures listed on BSE Limited (BSE)
Scrip Code: 974227
ISIN: INE0KXY07018
Scrip Code: 974228
ISIN: INE0KXY07026
Scrip Code: 975333
ISIN: INE0KXY07034
Scrip Code: 725795
ISIN: INE0KXY14014

Registrar and Unit Transfer Agent

Link Intime India Private Limited
247 Park, C-101, 1st Floor, L B S Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra, India
Tel: +91 22 4918 6000
E-mail: ajit.patankar@linkintime.co.in
SEBI registration number: INR000004058
Contact person: Ajit Patankar
Website: www.linkintime.co.in
Investor grievance e-mail: bonds.helpdesk@linkintime.co.in

Axis Bank Limited

ICICI Bank

India Infrastructure
Finance Company Limited

State Bank of India

Bankers/Lenders

Statutory Auditors

Walker Chandiok & Co LLP
Plot No. 19A, 2nd floor
Sector - 16A, Noida - 201 301
Uttar Pradesh, India
ICAI Firm registration number: 001076N/N500013
Tel: +91 12 0485 5999
E-mail: Manish.Agrawal@WalkerChandiok.in

Investment Manager

Highway Concessions One Private Limited
601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai– 400098, Maharashtra, India
Tel: +91 22 6107 3200 | Fax: +91 22 6107 3201
E-mail: info@highwayconcessions.com

Project Manager

HC One Project Manager Private Limited
601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai– 400098, Maharashtra, India
Tel : +91 22 6107 3200 | Fax: +91 22 6107 3201
E-mail: info@highwayconcessions.com

Valuer

Mr. S. Sundararaman

5B,"A" Block, 5th Floor
Mena Kampala Arcade, New #18 & 20,
Thiagaraya Road, T. Nagar, Chennai – 600 017
Registration no.: IBBI/RV/06/2018/10238
Tel: +91 044 2815 4192
E-mail: chennaissr@gmail.com

Ethics Helpline

All India (Toll-free) Number
(available in multiple languages)- 1800-257-4324
Web portal- https://highwayconcessionsone.integritymatters.in
Email- highwayconcessionsone@integritymatters.in
Post- Highway Concessions One Pvt Ltd.,
C/o Integrity Matters, Unit 1211,
CENTRUM, Plot No. C3, S.G. Barve Road, Wagle Estate, Thane
West - 400604, Maharashtra, India

HIGHWAYS INFRASTRUCTURE TRUST

OUR OFFICES

MUMBAI

HIGHWAYS INFRASTRUCTURE TRUST

601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai- 400098, Maharashtra, India

INVESTMENT MANAGER

HIGHWAY CONCESSIONS ONE PRIVATE LIMITED

601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai- 400098, Maharashtra, India

PROJECT MANAGER

HC ONE PROJECT MANAGER PRIVATE LIMITED

601-602, 6th Floor, Windsor House, Off CST Road, Kalina,
Santacruz (East), Mumbai- 400098, Maharashtra, India

ANNEXURE 6

CORPORATE AUTHORISATIONS (CERTIFIED TRUE COPY OF THE BOARD RESOLUTION DATED MAY 16, 2025)

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF HIGHWAY CONCESSIONS ONE PRIVATE LIMITED (ACTING AS AN INVESTMENT MANAGER OF HIGHWAYS INFRASTRUCTURE TRUST) HELD ON FRIDAY, MAY 16, 2025.

Approval for issuance of Non-Convertible Debt Securities

"**RESOLVED THAT**, in accordance with Regulations 20, 22 and all applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("**InvIT Regulations**") the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended ("**NCS Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") and the circulars and guidelines issued thereunder, and other applicable laws, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time (to the extent applicable), the requisite approvals (if any) from the Securities and Exchange Board of India ("**SEBI**"), the stock exchanges, any relevant governmental, statutory or regulatory authorities and subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, and in accordance with the Trust Deed and the Investment Management Agreement in respect of Highways Infrastructure Trust ("**HIT**"), and based on the recommendation of the Audit Committee, the consent of the board of directors of the Company ("**Board**") acting in a capacity of Investment Manager of HIT, be and is hereby granted for the offer, issue and allotment of up to 1,00,000 senior, secured, listed, rated, taxable, redeemable, non-convertible debentures of HIT, each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating up to INR 10,00,00,00,000/- (Indian Rupees One Thousand Crores only) in one or more series or tranches ("**Debt Securities**") (the "**Issue**"), on a private placement basis to the eligible investors ("**Holders**");

RESOLVED FURTHER THAT the consent of the Board be and is hereby granted for (a) the creation of such security including by way of hypothecation, pledge and/or mortgage, in such form and manner, having such ranking and on such terms as the Debt Security Trustee and/or Investment Manager may deem fit in the best interest of HIT and the unitholders, on all or any of the movable and/or immovable properties and/or current assets of HIT and/or any of the SPVs and holding companies (each as defined in the InvIT Regulations) of HIT, both present and future, for securing the issuance of the Debt Securities, (b) the provision of any undertakings and/or guarantees as may be required and undertaking such other obligations as may be required in connection with the Issue;(c) doing all such acts, deeds and things and to execute all such documents, instruments and writings, and register all charges as may be required in this regard;

RESOLVED FURTHER THAT the consent of the Board be and is hereby granted to:

(a) enter into, execute, perform and deliver the following documents (as applicable):

(i) the General Information Document and Key Information Document;
(ii) the trustee agreement for the appointment of a trustee ("**Debt Security Trustee**" or the "**Trustee**");
(iii) the debt security trust deed;
(iv) the common security trustee agreement and any deeds of accession in relation thereto;
(v) the escrow agreement and any deeds of accession in relation thereto;
(vi) the security documents, including the deed(s) of hypothecation, the pledge agreement(s) (including any deeds of accession in relation thereto) and associated power(s) of attorney;

(vii) the tripartite agreement amongst the registrar and transfer agent of HIT and each of National Securities Depository Limited and Central Depository Services (India) Limited as is required;

(viii) listing agreement with the stock exchange(s);

(ix) consent letter(s) and agreement(s) with rating agencies, the registrar and transfer agent and any other intermediary(ies) as may be appointed in connection with the Issue as is required;

(x) any other documents, deeds, notices, letters, agreements, powers of attorney, declarations, memorandums, indentures, undertakings, instruments and forms as may be required (including by the Debt Security Trustee or the Holders) in relation to or in connection with or pursuant to the abovementioned Issue,

collectively, the "**Financing Documents**", including any amendments, restatements and modifications thereto, from time to time).

(b) negotiate, finalise, enter into, execute, perform and deliver the Financing Documents and give effect to any transactions contemplated thereunder; and

(c) amend, novate, supplement, extend, restate or make any other modification to the Financing Documents, as may be required, from time to time, in relation to or in connection with or pursuant to the Financing Documents or to give effect to any transactions contemplated thereunder.

RESOLVED FURTHER THAT the Board hereby severally authorizes any of Mr. Gaurav Chandna, Dr. Zafar Khan, Mr. Abhishek Chhajer, Ms. Meghana Singh and Mr. Rahul Nadkarni, (hereinafter collectively referred to as the "**Authorised Representatives**" and individually an "**Authorised Representative**") to:

(a) negotiate, finalise, execute and deliver the Financing Documents on behalf of HIT, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);

(b) do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from, any governmental or regulatory authorities and other persons, including but not limited to the applicable depository(ies), the Reserve Bank of India, the Securities and Exchange Board of India and/or income tax authorities;

(c) make payment of stamp duty and registration fees in relation to the Financing Documents;

(d) create a recovery expense fund in accordance with the provisions of the NCS Regulations as amended from time to time and other applicable law;

(e) register documents or charges with the relevant sub-registrar of assurances, where required, and also to sign and submit the necessary forms with the registrar of companies (if applicable) and other relevant government authorities;

(f) sign and/or dispatch all documents and notices to be signed and/or dispatched by HIT under or in connection with the Financing Documents;

(g) take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the Financing Documents, the transactions contemplated therein;

(h) appoint various intermediaries including but not limited to the credit rating agency, registrar and transfer agents, arranger, valuer, security trustee, debenture trustee, legal counsel as required for the Issue;

(i) negotiate and finalise fees payable to the Debenture Trustee, and all other persons providing services or otherwise associated with the issue of the Debt Securities;

(j) open and operate such bank accounts for receipt of issue proceeds, demat accounts and escrow accounts with any banks or financial institutions, as may be required in furtherance of the Issue;

(k) make the necessary application for creation of International Securities Identification Number ("**ISIN**") to National Securities Depository Limited ("**NSDL**") or Central Depository Services (India) Limited ("**CDSL**"), for rating certificates to the rating agency(ies) and such other applications to all such authorities as may be necessary from time to time for the purpose of issuance of the aforesaid Debt Securities;

(l) get the Debt Securities admitted to NSDL and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and to negotiate, finalise and execute or ratify the agreements, undertakings or other writings required, with these authorities / agencies for the issue of Debt Securities in dematerialised form;

(m) finalise and file the general information document, key information document(s) with various stock exchanges, SEBI and or any other statutory authorities in compliance with applicable laws and regulations;

(n) approve, decide on and finalize the terms and conditions applicable to the Debt Securities and to accept any amendments, modifications, variations or alterations thereto and all other related matters, including the determination of the size of the Issue up to the maximum limit prescribed by the Board;

(o) to obtain all necessary authorizations and/or consents from governmental authorities and/or third parties and to provide intimations as necessary in connection with the transactions contemplated under the Financing Documents and complete all formalities in respect thereto;

(p) undertake any acts required in connection with the procedure of electronic book provider ("**EBP**") mechanism for issuance of the Debt Securities, negotiate, finalize, execute, file and deliver all necessary documents, instruments and do all acts necessary in relation to the Issue, including obtaining in-principal approval, listing approval, trading approval and processing corporate actions in respect of the Debt Securities, taking other actions as may be required in connection with the listing of the Debt Securities on stock exchanges including BSE Limited and/or National Stock Exchange of India Limited and executing necessary agreements, undertaking, declaration, affidavits, indemnities with any designated stock exchange and/or depositories including National Securities Depository Limited and/or Central Depository Services (India) Limited;

(q) to finalize the final list of allottees and allot the Debt Securities, issue debenture certificate(s) to the allottees, do all such acts, deeds, matters and things as may be required to dematerialise the Debt Securities, to sign agreements and/or such other documents as may be required by National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") and to credit the NCDs to the beneficiary accounts of the allottees;

(r) take all actions as may be required in connection with the creation security by way of charge and/or pledge over the current assets and receivables of HIT, including the loans and advances and any receivables accrued or realized from such loans and advances extended by HIT to any person, the securities held by HIT in any of its SPVs and/or holding companies (each as defined in the InvIT Regulations), and a charge over specific accounts (including the escrow account) of HIT, in each case in order to secure the obligations of HIT in relation to the Debt Securities.

RESOLVED FURTHER THAT the Board hereby approves appointment of Catalyst Trusteeship Limited as the Debt Security Trustee, and MUFG Intime India Private Limited as the Registrar and Transfer Agent for the Issue.

RESOLVED FURTHER THAT the Board hereby approves either continuation of the appointment of ICICI Bank Limited or appoint any person as may be identified and Authorised Representatives in replacement thereof as the escrow bank in terms of the Financing Documents in relation to the Debt Securities.

RESOLVED FURTHER THAT the Board hereby severally authorise the Authorised Representatives, to make a request to any person to furnish any undertaking(s) or enter into any other agreement(s), as may be required, in connection with the Debt Securities.

RESOLVED FURTHER THAT the Board hereby jointly authorises any two of the abovementioned Authorized Representatives, to settle any question or difficulties that may arise in the matter of the said issue of Debt Securities as may be considered necessary or expedient in the best interest of the Trust, without requiring any further approval of the Board of Directors.

RESOLVED FURTHER THAT the Board hereby authorises the Authorised Representatives, to make a request to any person to furnish any undertaking(s) or enter into any other agreement(s), as may be required, in connection with the Issue.

RESOLVED FURTHER THAT in addition to the Authorised Representatives, each of Mr. Raj Kumar Kanojia, Mr. Vaibhav Sharma, Mr. Sanjay Chugani, Mr. Arbaaz Mohhamed and Ms. Mahima Gupta be severally authorised to execute and undertake all such steps as may be required for the effecting and furthering the finalized Financing Documents, any other documents required for the above and to undertake any steps in furtherance of the resolutions stated above.

RESOLVED FURTHER THAT the resolutions aforesaid shall continue to be in force till the redemption of the Debt Securities or the termination of all the agreements and payment of all monies due to the debenture holders under the said agreements concluded pursuant to the issue and placement of Debt Securities.

RESOLVED FURTHER THAT a certified true copy of the above resolutions be furnished to the Debt Security Trustee, stock exchanges, depositories, statutory authorities and any other Person as the Debt Security Trustee may deem fit."

For ***Highways Infrastructure Trust***
(Acting through an Investment Manager- **Highway Concessions One Private Limited*)***

GAURAV CHANDNA
Digitally signed by GAURAV CHANDNA
Date: 2025.05.16 18:27:58 +05'30'

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: May 16, 2025

ANNEXURE 7

TRUSTEE DUE DILIGENCE CERTIFICATE

CL/25-26/16431 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT/ INFORMATION MEMORANDUM

[In reference to Chapter II, Clause 2.2.4 of SEBI Master Circular for Debenture Trustees dated May 16, 2024]

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB: ISSUE OF 90,000 SENIOR, SECURED, LISTED, RATED, TAXABLE, REDEEMABLE], NON-CONVERTIBLE DEBT SECURITIES ("DEBENTURES"/ "DEBT SECURITIES") HAVING A FACE VALUE OF Rs. 1,00,000 (RUPEES ONE LAKH ONLY) EACH AGGREGATING UPTO Rs Rs. 9,00,00,00,000.00 (RUPEES NINE THOUSAND MILLION ONLY)] (BEING THE SERIES IV DEBT SECURITIES] ("ISSUE SIZE") BY HIGHWAYS INFRASTRUCTURE TRUST (THE "ISSUER" OR "TRUST") ON A PRIVATE PLACEMENT BASIS.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document / information memorandum and all disclosures made in the offer

document / information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document / placement memorandum.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: May 28, 2025

For Catalyst Trusteeship Limited





Ms. Krina Bhavsar
Assistant Manager