NXT-INFRA TRUST

May 29, 2025

To,
The Corporate Relations Department,
The National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051

Re: Script Symbol "NXT-INFRA"

Dear Sir/ Madam,

Subject: Submission of Valuation Report of Nxt-Infra Trust for the financial year ended March 31, 2025, under Regulation 21 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

Pursuant to the provisions of Regulation 10 and 21 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI InvIT Regulations"), please see enclosed the Valuation Report of the assets of Nxt-Infra Trust dated May 28, 2025 issued by Mr. S Sundararaman, Registered Valuer having IBBI Registration No. IBBI/RV/06/2018/10238 for the financial year ended March 31, 2025.

The valuation report referred to above has also been uploaded on our website at https://nxt-infra.com/investor-corner/regulatory-filings/.

You are requested to kindly take the same on record.

Thanking you

For **Nxt-Infra Trust**
(acting through Walter Infra Manager Private Limited)
(in its capacity as Investment Manager of the Trust)

Aditi Sagar Tawde

Digitally signed by Aditi Sagar Tawde
Date: 2025.05.29 23:20:08 +05'30'

Aditi Tawde
Company Secretary and Compliance Officer
Membership No. A28753

Encl: As above

Principal Place of Business: 501, 5th Floor, Vikas Hub, Vikas Centre, next to Cubic Mall,
Dr. G. C. Road, Wadavali Village, Chembur East, Mumbai, 400 074, Maharashtra, India.
SEBI Reg No: IN/INVIT/23-24/00028
Email id- im@nxt-infra.com

Prepared for:

Nxt-Infra Trust ("the Trust")

Walter Infra Manager Private Limited
("the Investment Manager")

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

Fair Enterprise Valuation

Valuation Date: 31st March 2025

Report Date: 28th May 2025

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

RV/SSR/R/NXT-01 **Date: 28th May 2025**

Nxt-Infra Trust
(acting through Catalyst Trusteeship Limited [in its capacity as "the Trustee" of the Trust])
501, 5th Floor, Vikas Hub, Vikas Centre,
Next to Cubic Mall, Dr. G C Road,
Wadavali Village, Chembur East,
Mumbai – 400074
Maharashtra, India

Walter Infra Manager Private Limited
(acting as the Investment Manager to Nxt-Infra Trust)
Unit No. S-39, 2nd Floor, 'Vasant Square Mall'
Plot No. A, Community Centre, Pocket-V, Sector-B, Vasant Kunj,
New Delhi-110070.

Sub: Financial Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations")

Dear Sir(s)/Madam(s),

I, Mr. S. Sundararaman ("**Registered Valuer**" or "**RV**" or "**I**" or "**My**" or "**Me**") bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 2nd April, 2025 as an independent valuer, as defined under the SEBI InvIT Regulations, by Walter Infra Manager Private Limited ("**WIMPL**" or "**the Investment Manager**") acting as the Investment manager for Nxt-Infra Trust ("**the Trust**" or "**InvIT**"), an infrastructure investment trust, registered with the Securities Exchange Board of India ("**SEBI**") and Catalyst Trusteeship Limited ("**the Trustee**") acting as the trustee for the Trust, for the purpose of financial valuation of the Special Purpose Vehicles (defined hereinafter below) as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("**the SEBI InvIT Regulations**").

The Trust operates and maintains the following Special Purpose Vehicles:

Sr. No.	Name of the SPV	Term	Project Type
1	NI Road Infra Private Limited	AM-2	State HAM
2	Nxt-Infra CGRG Highways Private Limited	CGRG	NHAI HAM
3	Nxt-Infra CT Highways Private Limited	CTHPL	NHAI HAM
4	DM Expressway Private Limited	DME	NHAI HAM
5	Nxt-Infra GSY Highways Private Limited	GSY	NHAI HAM
6	Nxt-Infra MCP Highways Private Limited	MCP	BOT-Toll

(Hereinafter all the six companies mentioned above are together referred to as "**the SPVs"**)

The SPVs were acquired by the Trust and are to be valued as per Regulation 21(4) contained in the Chapter V of the SEBI InvIT Regulations.

As per Regulation 21 (4) of Chapter V of the SEBI InvIT Regulations,

"*A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year*"

In this regard, the Investment Manager and the Trust intend to undertake the fair enterprise valuation of the SPVs as on 31st March, 2025. ("**Valuation Date**").

Enterprise Value ("**EV**") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPVs as at 31st March, 2025, where the adjusted enterprise value (**"Adjusted EV"**) is derived as EV as defined above plus cash and cash equivalents of the SPVs as at 31st March, 2025.

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

The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

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

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

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

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

The valuation provided by RV and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by SEBI thereunder.

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

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

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

Yours faithfully,

S. Sundararaman
Registered Valuer
IBBI Registration No.: IBBI/RV/06/2018/10238
Place: Chennai
UDIN: 25028423BMOMXM1072

Definition, abbreviation & glossary of terms

Abbreviations	Meaning
AM-2	NI Road Infra Private Limited
BOT	Build, Operate and Transfer
Capex	Capital Expenditure
CCM	Comparable Companies Multiples
CGRG	Nxt-Infra CGRG Highways Private Limited
COD	Commercial Operation Date
CTM	Comparable Transactions Multiples
CTHPL	Nxt-infra CT Highways Private Limited
DBFOT	Design, Build, Finance, Operate and Transfer
DCF	Discounted Cash Flow
DME	DM Expressway Private Limited
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31st March
GSY	Nxt-Infra GSY Highways Private Limited
HAM	Hybrid Annuity Model
Ind AS	Indian Accounting Standards
INR	Indian Rupee
Investment Manager/ WIMPL	Walter Infra Manager Private Limited
IVS	ICAI Valuation Standards 2018
Kms	Kilometres
MCP	Nxt-Infra MCP Highways Private Limited
MMR	Major Maintenance and Repairs
Mn	Million
MoRTH	Ministry of Road Transport and Highways
NAV	Net Asset Value Method
NCA	Net Current Assets Excluding Cash and Bank Balances
NH	National Highway
NHAI	National Highways Authority of India
NHDP	National Highways Development Project
NS-EW	North- South and East-West Corridors
PPP	Public Private Partnership
PWD(M) / State Authority	Public Works Department, Government of Maharashtra
RFID	Radio Frequency Identification
RV	Registered Valuer
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
SH	State Highway
Sponsor/ AHIL	Actis Highway Infra Limited
SPV	Special Purpose Vehicle
Trustee	Catalyst Trusteeship Limited

Contents

1. Executive Summary

1.1. Background

The Trust

1.1.1. Nxt-Infra Trust ("**the Trust**"), was established on 8th November 2023. The Trust is registered with Securities and Exchange Board of India ("**SEBI**") pursuant to the SEBI (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**") with effect from 8th November 2023, bearing registration number IN/InvIT/23-24/0028 The units of the Trust are listed on National Stock Exchange of India Limited since 2nd July 2024.

1.1.2. The objective and purpose of the InvIT is to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations, to raise funds through the InvIT, to make Investments in accordance with the SEBI InvIT Regulations and the Investment Strategy and to carry on the activities as may be required for operating the SEBI InvIT including incidental and ancillary matters thereto.

1.1.3. Catalyst Trusteeship Limited ("**the Trustee**") has been appointed as the Trustee of the Nxt-Infra Trust.

1.1.4. Unitholding of the Trust as on 31st March 2025 is as under:

Name of Unitholder	Nos. of Units	Unitholding
Corporate Body – Foreign Bodies	24,50,00,000	85.96%
Mutual Funds	50,00,000	1.75%
Individuals	55,00,000	1.93%
Non-Resident Indians	2,00,000	0.07%
Body Corporates	2,89,00,000	10.14%
Hindu Undivided Family	2,00,000	0.07%
Trusts	2,00,000	0.07%
Total	**28,50,00,000**	**100.00%**

Source: Investment Manager

The Sponsor

1.1.5. Actis Highway Infra Limited ("**the Sponsor**" or "**AHIL**") has floated an infrastructure investment trust under the SEBI InvIT Regulations called Nxt-Infra Trust ("**the Trust**" or "**InvIT**").

Actis Highway Infra Limited

Actis Highway Infra Limited is a company duly incorporated under the laws of Mauritius and is a wholly owned subsidiary of the Actis Highway Holdings Limited. AHIL is backed by a leading global investor group in sustainable infrastructure, Actis Group.

The Shareholding of AHIL on 31st March, 2025 is as follows:

Name of Shareholder	Nos. of Shares	Shareholding
Actis Highway Holdings Limited	68,915,361	100.00%
Total	**68,915,361**	**100.00%**

Source: Investment Manager

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1.1.6. **Investment Manager**

Walter Infra Manager Private Limited ("**WIMPL**" or "**the Investment Manager**") has been appointed as the Investment Manager to the Trust by the Trustee and is responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.

Name of Shareholder	Nos. of Shares	Shareholding
Actis Highway Infra Limited	1,82,66,715	99.90%
Actis Highway Holdings Limited	18,285	0.10%
Total	**1,82,85,000**	**100.00%**

Source: Investment Manager

1.1.7. **Project Manager**

Walter Infra Project Manager Private Limited ("**WIPMPL**" or "**the Project Manager**") has been appointed as the Project Manager to the Trust and is responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.

Name of Shareholder	Nos. of Shares	Shareholding
Actis Highway Infra Limited	24,12,585	99.90%
Actis Highway Holdings Limited	2,415	0.10%
Total	**24,15,000**	**100.00%**

Source: Investment Manager

1.1.8. **Financial Assets to be Valued**

The financial assets under consideration to be valued at Enterprise Value and Adjusted Enterprise Value are as follows:

Sr. No.	Name of the SPV	Term
1	NI Road Infra Private Limited	AM-2
2	Nxt-Infra CGRG Highways Private Limited	CGRG
3	Nxt-Infra CT Highways Private Limited	CTHPL
4	DM Expressway Private Limited	DME
5	Nxt-Infra GSY Highways Private Limited	GSY
6	Nxt-Infra MCP Highways Private Limited	MCP

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

1.2. Purpose of Valuation

1.2.1. As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations,

"A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year."

In this regard, the Investment Manager intends to undertake a fair enterprise valuation of the SPVs as on 31st March 2025.

1.2.2. In this regard, the Investment Manager have appointed Mr. S. Sundararaman ("**Registered Valuer**" or "**RV**" or "**I**" or "**My**" or "**Me**") bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake the fair valuation at the enterprise level of the SPV as per the SEBI InvIT Regulations as at 31st March 2025. 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.

Further, on the request of the Investment Manager, I have also calculated the Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash and cash equivalents of the SPVs as at the Valuation Date.

1.2.3. I declare that:

i. I am competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;

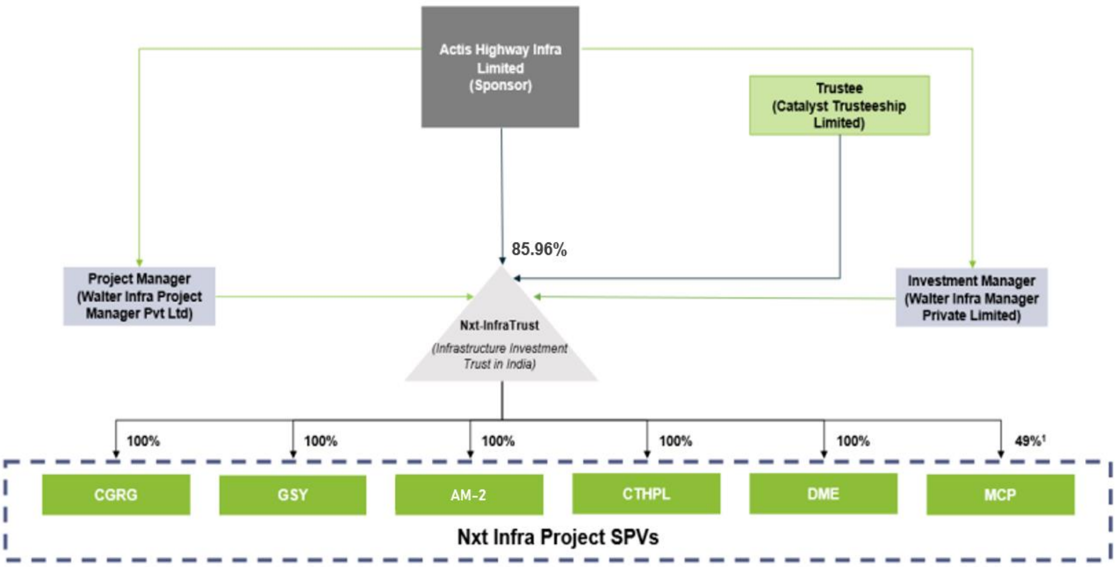
ii. I am not an associate of the Sponsor or Investment Manager or Trustee and I have not less than five years of experience in valuation of infrastructure assets;

iii. I am independent and have prepared the Report on a fair and unbiased basis;

iv. I have valued the SPVs based on the valuation standards as specified / applicable as per SEBI InvIT Regulations.

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

1.3. Group Structure of the Trust as at 31st March 2025:



Source: Investment Manager

[1] Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, The Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.

1.4. Scope of Valuation

1.4.1. Nature of the Asset to be Valued

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

Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash and cash equivalents of the SPVs as at the valuation date.

1.4.2. Valuation Base

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

Fair Value

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

1.4.3. Valuation Date

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

The Valuation Date considered for the fair enterprise valuation of the SPVs is 31st March 2025 ("**Valuation Date**").

The attached Report is drawn up by reference to accounting and financial information as on 31st March 2025. The RV is not aware of any other events having occurred since 31st March 2025 till date of this Report which he deems to be significant for his valuation analysis, except for any event disclosed by the Investment Manager during the valuation exercise.

1.4.4. Premise of Value

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

Going Concern Value

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc. For current valuation exercise, we have determined the fair enterprise value of the SPVs on a Going Concern Value, till the end of the tenure of their respective Concession Agreement.

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1.5. Summary of Valuation

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

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

Under the DCF Method, the Free Cash Flow to Firm ("**FCFF**") has been used for the purpose of valuation of each of the SPVs. In order to arrive at the fair EV of the individual SPVs under the DCF Method, I have relied on the audited financial statements as at 31st March, 2025 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the respective SPVs prepared by the Investment Manager as at the Valuation Date based on their best judgement.

The discount rate considered for the respective SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital ("**WACC**") for each of the SPVs.

Five out of six of the SPVs under considerations have executed projects under the HAM model and the remaining one under the BOT-Toll model. Operating rights of such 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 and the obligation to maintain 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, RV has arrived at the fair Enterprise Value and Adjusted Enterprise Value of the SPVs as on the Valuation Date as under:

INR Lakhs

Sr. No.	SPVs	Last Date	Approximate Balance Period	WACC	Enterprise Value*	Adjusted Enterprise Value**
1	AM 2	10-Nov-31	~6 Years 7 Months	7.66%	64,698	73,236
2	CGRG	05-Aug-35	~10 Years 4 Months	7.57%	46,246	52,721
3	CTHPL	25-Aug-36	~11 Years 5 Months	8.07%	40,332	40,717
4	DME	25-Jun-33	~8 Years 3 Months	7.83%	25,934	27,889

Sr. No.	SPVs	Last Date	Approximate Balance Period	WACC	Enterprise Value*	Adjusted Enterprise Value**
5	GSY	1-Nov-35	~10 Years 7 Months	7.40%	64,946	67,081
6	MCP***	26-Sep-37	~12 Years 6 Months	9.97%	3,48,070	3,61,918
	Total				**5,90,227**	**6,23,562**

** 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 non-current cash and cash like items to meet those liabilities.*

*** Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash and cash equivalents of the SPVs as at the Valuation Date.*
(Refer Appendix 1 for the detailed workings)

**** Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.*

The above mentioned EV and Adjusted EV represents the value EV calculated at 100% equity stake level for MCP and since InvIT is holding only 49% equity stake in MCP, the above mentioned values should be adjusted in this context for 49% equity stake level. In this regard, I have calculated EV and Adjusted EV at 100% equity stake level and 49% equity stake level in the below table for MCP:

INR in Lakhs

SPVs	Enterprise Value		Adjusted Enterprise Value	
	at 100% equity stake level	at 49% equity stake level	at 100% equity stake level	at 49% equity stake level
MCP	3,48,070	1,70,554	3,61,918	1,77,340

1.5.1. The fair EV of the SPVs is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.

1.5.2. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

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

a) WACC by increasing / decreasing it by 0.5%
b) WACC by increasing / decreasing it by 1.0%
c) Total Expenses by increasing / decreasing it by 20%
d) Total Revenue by increasing / decreasing it by 10% for Toll Asset.

Sensitivity Analysis of Enterprise Value

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

INR Lakhs

Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	AM2	8.16%	63,793	7.66%	64,698	7.16%	65,627
2	CGRG	8.07%	45,307	7.57%	46,246	7.07%	47,219
3	CTHPL	8.57%	39,532	8.07%	40,332	7.57%	41,160
4	DME	8.33%	25,496	7.83%	25,934	7.33%	26,384
5	GSY	7.90%	63,625	7.40%	64,946	6.90%	66,316
6	MCP	10.47%	3,38,584	9.97%	3,48,070	9.47%	3,57,957
	Total		**5,76,337**		**5,90,227**		**6,04,662**

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

INR lakhs

Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	AM2	8.66%	62,912	7.66%	64,698	6.66%	66,580
2	CGRG	8.57%	44,400	7.57%	46,246	6.57%	48,226
3	CTHPL	9.07%	38,757	8.07%	40,332	7.07%	42,016
4	DME	8.83%	25,070	7.83%	25,934	6.83%	26,846
5	GSY	8.40%	62,349	7.40%	64,946	6.40%	67,735
6	MCP	10.97%	3,29,479	9.97%	3,48,070	8.97%	3,68,265
	Total		**5,62,966**		**5,90,227**		**6,19,668**

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

INR lakhs

Sr. No.	SPVs	EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	AM2	68,080	64,698	61,297
2	CGRG	48,980	46,246	43,352
3	CTHPL	45,947	40,332	35,197
4	DME	28,620	25,934	22,924
5	GSY	67,374	64,946	62,433
6	MCP	3,63,380	3,48,070	3,32,761
	Total	**6,22,381**	**5,90,227**	**5,57,963**

d) Fair Enterprise Valuation Range based on Revenue parameter (10%)

INR Lakhs

Sr. No.	SPVs	EV at Revenue -10%	EV at Base Revenue*	EV at Revenue +10%
1	MCP	3,08,011	3,48,070	3,88,130

** Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.*

The above mentioned EV and Adjusted EV represents the value EV calculated at 100% equity stake level for MCP and since InvIT is currently holding only 49% equity stake in MCP, the above mentioned values should be adjusted in this context for 49% equity stake level.

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2. Procedures adopted for current valuation exercise

2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards 2018 (“**IVS**”) issued by the Institute of Chartered Accountants of India read with SEBI InvIT Regulations.

2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:

2.2.1. Requested and received financial and qualitative information relating to the SPVs;

2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;

2.2.3. Discussions with the Investment Manager on:

- Understanding of the business of the SPVs – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;

2.2.4. Undertook industry analysis:

- Research publicly available market data including economic factors and industry trends that may impact the valuation;
- Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;

2.2.5. Analysis of other publicly available information;

2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;

2.2.7. Conducted physical site visit of the road stretch of the SPVs

2.2.8. Determination of fair value of the EV and Adjusted EV of the SPVs on a going concern basis at the Valuation Date.

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3. Overview of the InvIT and SPVs

3.1. The Trust

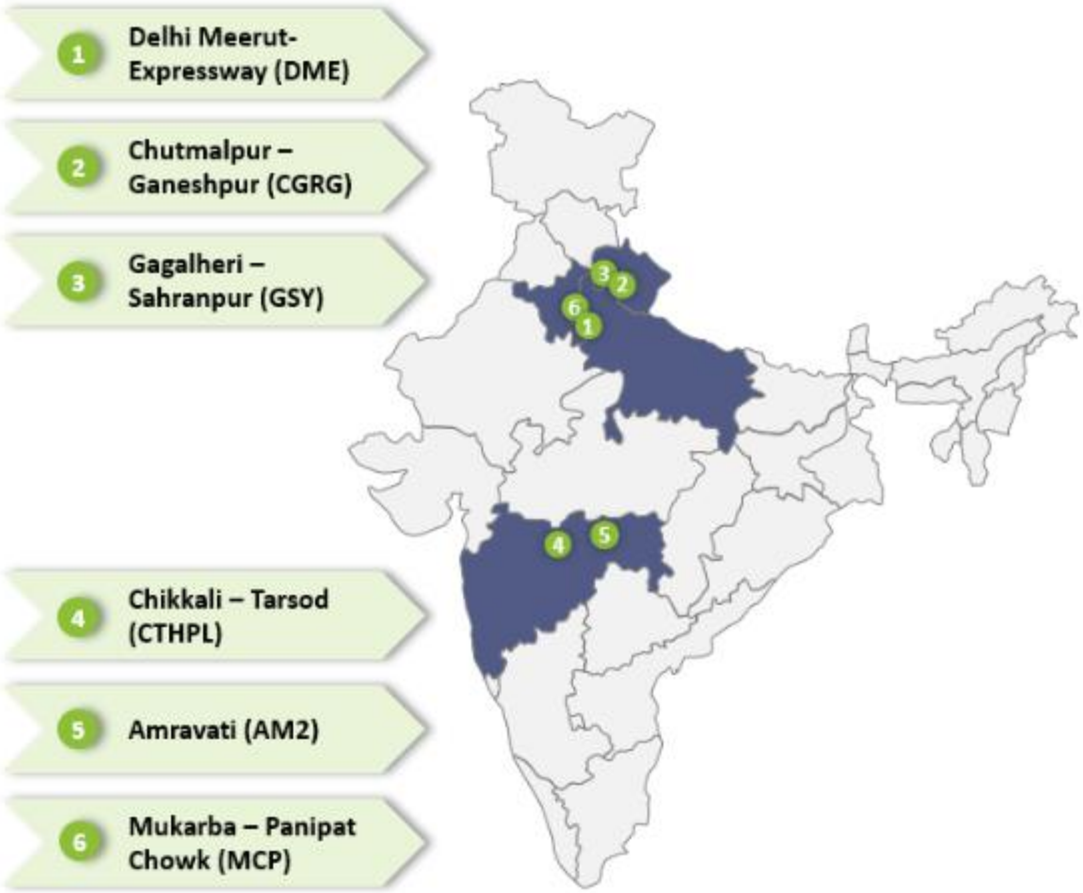
3.1.1. Nxt-Infra Trust ("the **Trust**"), sponsored by Actis Highway Infra Limited, was established on 8th November 2023 and since then is registered with Securities and Exchange Board of India ("**SEBI**") pursuant to the SEBI (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**") bearing registration number IN/InvIT/23-24/0028. The units of the Trust are listed on National Stock Exchange of India Limited since 2nd July 2024.

3.1.2. The Trust acquired the following SPVs from the Sponsor in FY25:

Sr. No.	SPVs	Equity Stake	Purchase Consideration (INR Lakhs)
1	AM2	100%	13,432
2	CGRG	100%	11,105
3	CTHPL	100%	10,981
4	DME	100%	7,411
5	GSY	100%	15,057
6	MCP	49%	75,013
	Total		**1,33,000**

Source: Investment Manager

3.1.3. Following is a map of India showing the area covered by the SPVs of the Trust



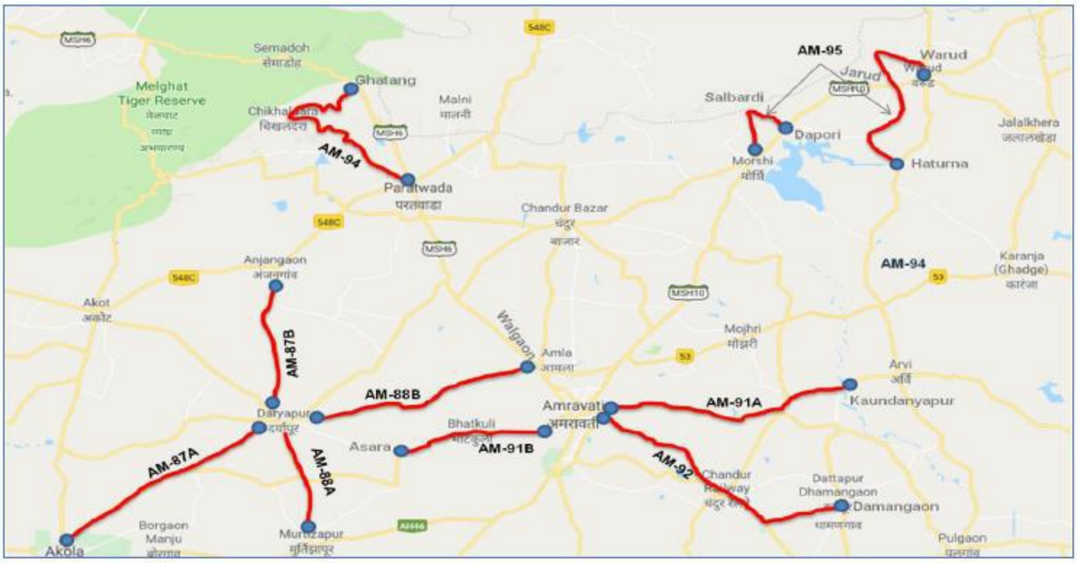
Source: Draft Placement Memorandum filed with SEBI

Background of the SPVs

3.2. NI Road Infra Private Limited ("AM2"):

3.2.1. NI Road Infra Private Limited (AM2) was incorporated as on 28th September 2018. The SPV entered into a concession agreement dated 10th January, 2019 with Public Works Department, Government of Maharashtra [PWD(M)] and having the appointed date as on 28th May, 2019. The project was awarded under HAM for 10 years of period from the PCOD i.e. 11th November, 2021. The project consists of improvement and maintenance of 9 distinct packages in Amravati district in the state of Maharashtra.

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



Source: Investment Manager

3.2.3. Summary of project details of AM2 is as follows:

Parameters	Details
Total Length	352 Km
Nos. of Lanes	2 lanes
NH / SH	SH 280, SH-312, SH 282, SH 47, SH 300, SH 294, SH 296 & SH 297
State Covered	Maharashtra
Area (Start and End)	Amravati, Maharashtra
Bid Project Cost	INR 1,46,000 Lakhs
Project Type	HAM
Concession Granted by	PWD(M)
PCOD Date	11th November 2021
Nos. of Annuities	20 (Semi-annual)
Construction Period	730 days
Operational Period	10 years

Source: Investment Manager

3.2.4. The corridor forms a part of existing roads in the state of Maharashtra consisting of 9 distinct packages throughout the Amravati district consisting improvement of several state highway packages:

S. No	Description	Unit	Package-1		Package-2	Package-3	Package-4	Package-5		
			SH-280	SH-312				SH-280	SH-300	SH-294
1	Length of the Project Corridor	Kms	25	16	27	22	44	29	2	10
2	Major Bridges	Nos.	-	1	-	1	2	-	-	1
3	Minor Bridges	Nos.	8	1	3	4	13	11	3	2
4	Culverts (Pipe)	Nos.	23	17	19	14	23	35	10	3
5	Culvert (Slab/Box)	Nos.	11	10	6	6	21	11	1	6
6	Major Junctions	Nos.	2	1	2	3	3	5	2	1
7	Minor junctions	Nos.	25	11	20	15	33	18	4	6
8	Bus Bays with Shelter	Nos.	11	7	16	7	16	15	-	4
9	Bus Shelter	Nos.	4	2	3	4	2	-	-	-
10	RCC Cover Drain	Kms	4	1	1	1	6	2	2	2
11	Earthen Drain	Kms	44	32	50	38	82	40	1	16
12	Road Markings	Sq.m	10,485	7,420	12,098	10,064	19,800	11,959	698	4,035
13	W-Beam Safety Barriers	Kms	2	3	1	1	5	1	-	1
14	Rigid Concrete Barrier	Kms	0	0	0	0	0	0	0	0
15	Delineators	Nos.	63	63	204	259	239	-	-	-
16	Kilometer Stones	Nos.	23	17	26	22	45	26	2	11
17	Hectometer Stones	Nos.	79	48	104	70	176	73	-	32
18	Road Signs	Nos.	210	180	114	142	342	407	55	172
19	Urban Length	Kms	3	1	2	2	3	3	1	1
20	Rural Length	Kms	22	16	25	20	41	25	1	9
21	ROBs	Nos.	-	-	-	1	-	-	-	-
22	RCC Wall	Kms	-	-	-	2	-	-	-	-
23	Concrete Railing	Kms	-	-	-	0	-	0	-	0
24	Steel Railing	Kms	-	-	-	1	-	-	-	-

S. No	Description	Unit	Package - 6	Package - 7			Package - 8		Package - 9	
				SH-297	Chandur Bypass	SH-296	SH-280	SH-312	SH-280	SH-312
1	Length of the Project Corridor	Kms	28	26	5	18	32	20	31	16
2	Major Bridges	Nos.	-	-	-	-	1	-	NIL	1
3	Minor Bridges	Nos.	13	8	1	5	4	5	6	2
4	Culverts (Pipe)	Nos.	34	34	9	27	60	66	42	24
5	Culvert (Slab/Box)	Nos.	5	1	1	4	11	3	5	-
6	Major Junctions	Nos.	3	5	2	3	2	1	4	2
7	Minor junctions	Nos.	24	20	-	19	27	8	11	2
8	Bus Bays with Shelter	Nos.	21	11	-	15	-	-	-	-
9	Bus Shelter	Nos.	-	-	-	-	-	-	-	-
10	RCC Cover Drain	Kms	3	3	-	4	1	-	-	2
11	Earthen Drain	Kms	46	20	9	33	9	-	24	14
12	Road Markings	Sq.m	11,993	11,580	2,115	8,258	14,642	9,106	13,794	6,949
13	W-Beam Safety Barriers	Kms	1	1	0	19	3	Nil	4	5
14	Rigid Concrete Barrier	Kms	1	0	0	0	1	Nil	0	0
15	Delineators	Nos.	-	46	-	9	23	-	444	256
16	Kilometer Stones	Nos.	25	13	5	18	10	-	28	16
17	Hectometer Stones	Nos.	91	49	19	74	37	-	111	63
18	Road Signs	Nos.	272	440	30	250	39	Nil	413	193
19	Urban Length	Kms	3	3	-	2	4	2	6	2
20	Rural Length	Kms	26	23	5	16	28	19	25	13

Source: Investment Manager

3.2.5. The shareholding of AM2 as on Valuation Date is as follows:

S. No.	Particulars	No. of Shares	%
1	Nxt-Infra Trust and its nominees	3,95,13,685	100.00%

Source: Investment Manager

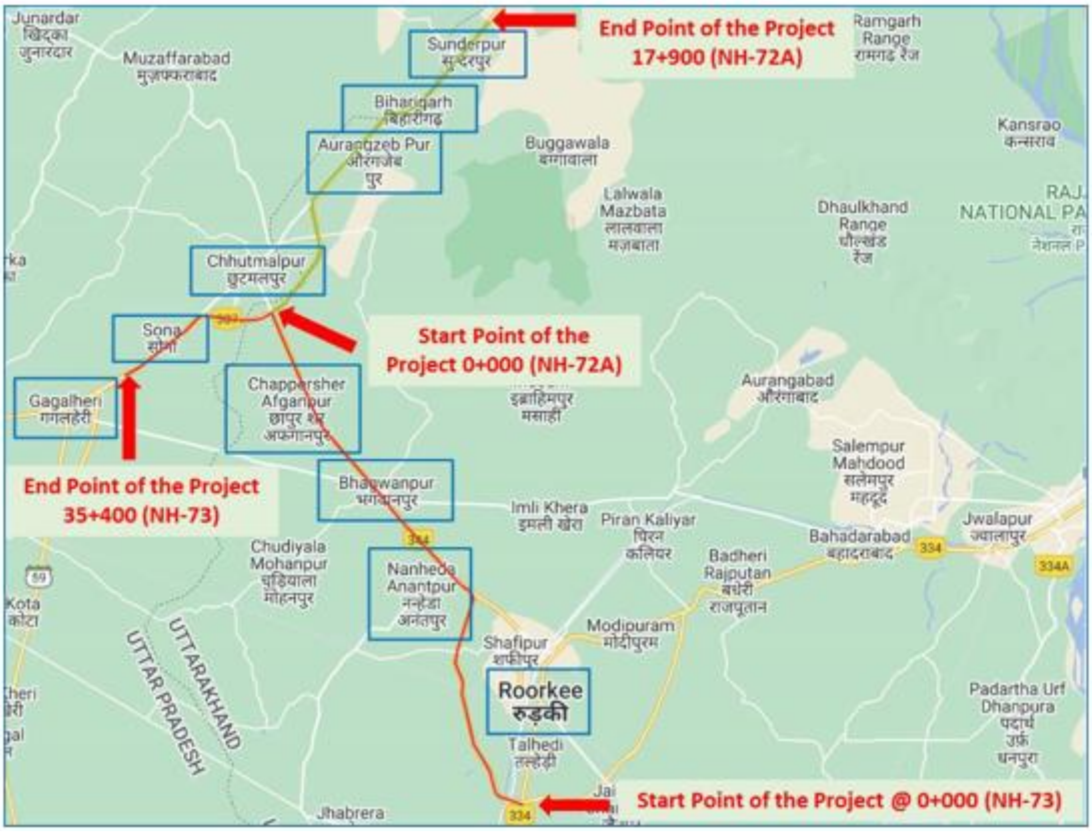
The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.2.6. My team had conducted physical site visit for AM2 on 11th March 2025. Following are the pictures of the plant site:

3.3. **<u>Nxt-Infra CGRG Highways Private Limited (“CGRG”)</u>**

3.3.1. Nxt-Infra CGRG Highways Private Limited (CGRG) was incorporated as on 06th May 2016. The SPV entered into a concession agreement dated 27th May, 2016 with NHAI and having the appointed date as on 28th February, 2018. The project was awarded to M/s MBL Infrastructures Ltd by NHAI under HAM for 15 years of operation & maintenance period from the PCOD i.e. 05th August, 2020.

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



Source: Investment Manager

3.3.3. Summary of project details of CGRG is as follows:

Parameters	Details
Total Length	53 Km
Nos. of Lanes	4
NH / SH	NH 72A & NH 73
State Covered	Uttar Pradesh and Uttarakhand
Area (Start and End)	Chutmalpur - Ganeshpur -Roorkee - Gagalehri
Bid Project Cost	INR 94,200 Lakhs
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	5th August 2020
Nos. of Annuities	30 (semi-annual)
Construction Period	730 Days
Operational Period	15 Years

Source: Investment Manager

3.3.4. The corridor forms a part of existing road from Km 0.00 to Km 17.90 of NH-72A and from Km 0.00 to Km 33.00 of NH-73 (approx. 53.30 km):

Sr. No.	Salient Features	Units	For SPV
1	Length of the Project Corridor	Kms	53
2	Major Bridges	No.	3
3	Minor Bridges	No.	11
4	Culverts (Pipe)	No.	44
5	Culvert (Slab/Box)	No.	18
6	Major Junctions	No.	2
7	Minor junctions	No.	20
8	Bus Bays with Shelter	No.	28
9	RCC Cover Drain	Kms	12
10	Road Markings	Sqm	79,920
11	W-Beam Safety Barriers	Kms	29
12	Delineators	No.	59
13	Hectometer Stones	No.	244
14	Road Signs	No.	803
15	ROBs	No.	1
16	Concrete Railing	Kms	1

Source: Investment Manager

3.3.5. The shareholding of CGRG as on Valuation Date is as follows:

S. No.	Particulars	No. of Shares	%
1	Nxt-Infra Trust and its nominees	50,000	100.00%

Source: Investment Manager

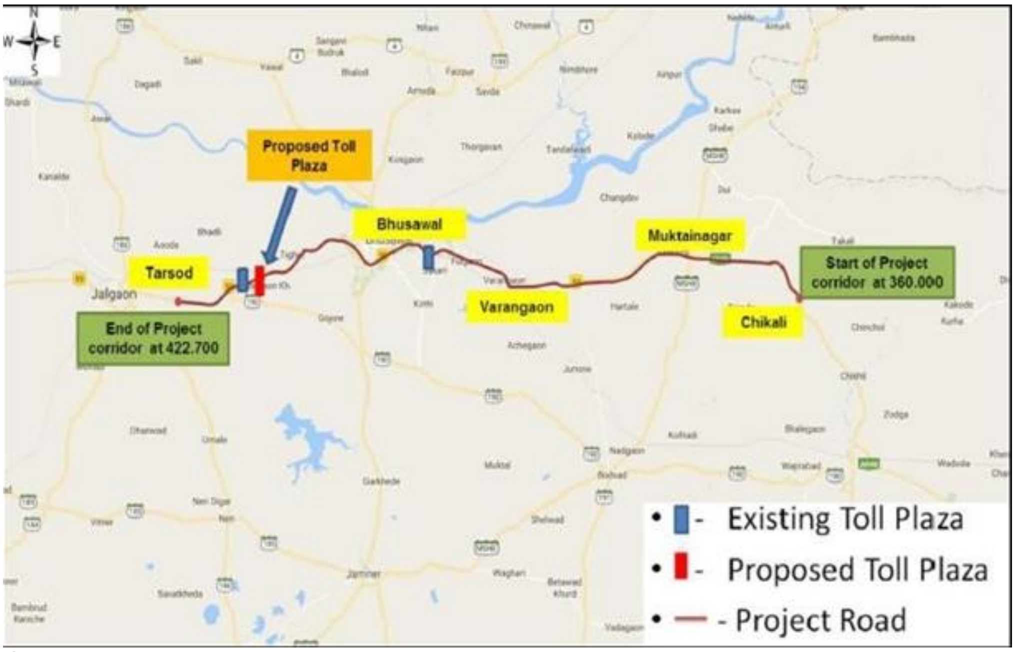
The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.3.6. My team had conducted physical site visit for CGRG on 9th March 2025. Following are the pictures of the plant site:

3.4. Nxt-Infra CT Highways Private Limited ("CTHPL")

3.4.1. Nxt-Infra CT Highways Private Limited (CTHPL) was incorporated as on 06th December 2016. The SPV entered into a concession agreement dated 03rd April, 2017 with NHAI and having the appointed date as on 16th January, 2019. The project was awarded to M/s Visvaraj Environment Pvt Ltd by NHAI under HAM for 15 years of operation & maintenance period from the PCOD i.e. 25th August, 2021.

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



Source: Investment Manager

3.4.3. Summary of project details of CTHPL is as follows:

Parameters	Details
Total Length	63 Km
Nos. of Lanes	4
NH / SH	NH 6
State Covered	Maharashtra
Area (Start and End)	Chikhali-Tarsod
Bid Project Cost	INR 1,04,810 Lakhs
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	25th August 2021
Nos. of Annuities	30 (Semi-annual)
Construction Period	910 days
Operational Period	15 years

Source: Investment Manager

3.4.4. The corridor forms a part of existing road from 360.000 km to 422.700 km (Approx. 62.700 Kms) of NH-06.

Sr. No.	Salient Features	Units	For SPV
1	Length of the Project Corridor	Kms	63
2	Major Bridges	No.	3
3	Minor Bridges	No.	22
4	Culverts (Pipe)	No.	68
5	Culvert (Slab/Box)	No.	46
6	Major Junctions	No.	6
7	Minor junctions	No.	68
8	Bus Bays with Shelter	No.	6
9	RCC Cover Drain	Kms	61
10	Road Markings	Sqm	55,260
11	W-Beam Safety Barriers	Kms	31
12	Delineators	No.	152
13	Kilometer Stones	No.	118
14	Hectometer Stones	No.	307
15	Road Signs	No.	1,129
16	ROBs	No.	4
17	Concrete Railing	Kms	1

Source: Investment Manager

3.4.5. The shareholding of CTHPL as on Valuation Date is as follows:

S. No.	Particulars	No. of Shares	%
1	Nxt-Infra Trust and its nominees	10,00,000	100.00%
	Total	**10,00,000**	**100.00%**

Source: Investment Manager

The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

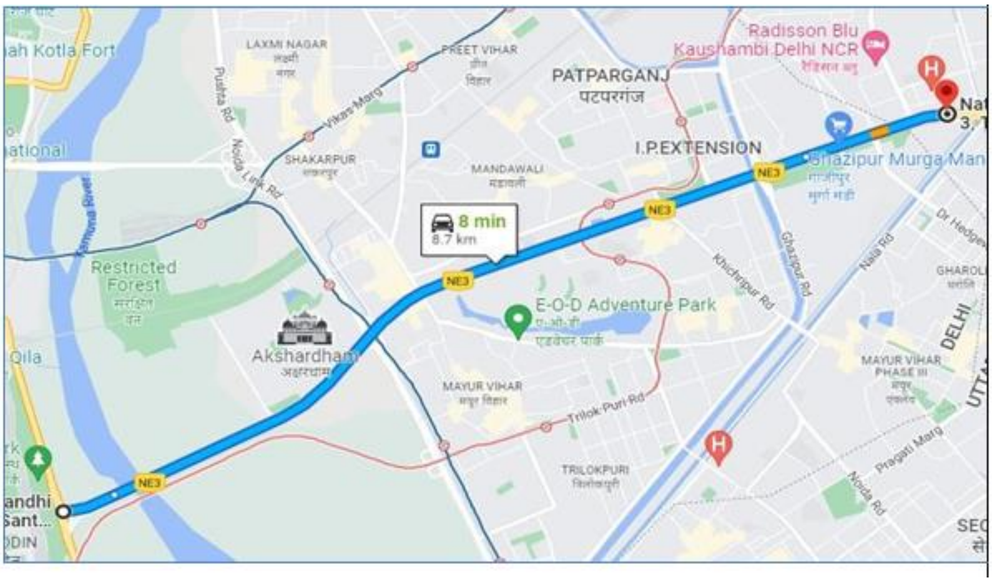
3.4.6. My team had conducted physical site visit for CTHPL on 11th March 2025. Following are the pictures of the plant site:




3.5. **DM Expressway Private Limited ("DME")**

3.5.1. DM Expressway Private Limited (DME) was incorporated as on 16th February 2016. The SPV entered into a concession agreement dated 04th March, 2016 with NHAI and having the appointed date as on 28th November, 2016. The project was awarded to M/s Welspun Enterprises Ltd by NHAI under HAM for 15 years of operation & maintenance period from the PCOD i.e. 28th June, 2018.

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



Source: Investment Manager

3.5.3. Summary of project details of DME is as follows:

Parameters	Details
Total Length	9 Km
Nos. of Lanes	14
NH / SH	NH 24
State Covered	Delhi and Uttar Pradesh
Area (Start and End)	Delhi-Meerut
Bid Project Cost	INR 84,150 Lakhs
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	28th June 2018
Nos. of Annuities	30 (Semi-annual)
Construction Period	910 days
Operational Period	15 years

Source: Investment Manager

3.5.4. The corridor forms a part of existing road from 0.000 km to 8.360 km (Approx. 8.716 Kms) of NH-24:

Sr. No.	Salient Features	Units	For SPV
1	Length of the Project Corridor	Kms	9
2	Major Bridges	Nos.	1
3	Minor Bridges	Nos.	2
4	Major Junctions	Nos.	11
5	Minor junctions	Nos.	11
6	Bus Bays with Shelter	Nos.	-
7	Road Markings	Kms	9
8	W-Beam Safety Barriers	Kms	2
9	Delineators	Nos.	436
10	Kilometer Stones	Nos.	18
11	Hectometer Stones	Nos.	70
12	Road Signs	Nos.	329
13	Concrete Railing	Kms	16

Source: Investment Manager

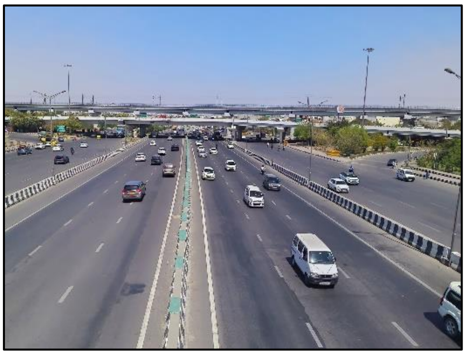
3.5.5. The shareholding of DME as on Valuation Date is as follows:

S. No.	Particulars	No. of Shares	%
1	Nxt-Infra Trust and its nominees	50,00,000	100.00%
	Total	**50,00,000**	**100.00%**

Source: Investment Manager

The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

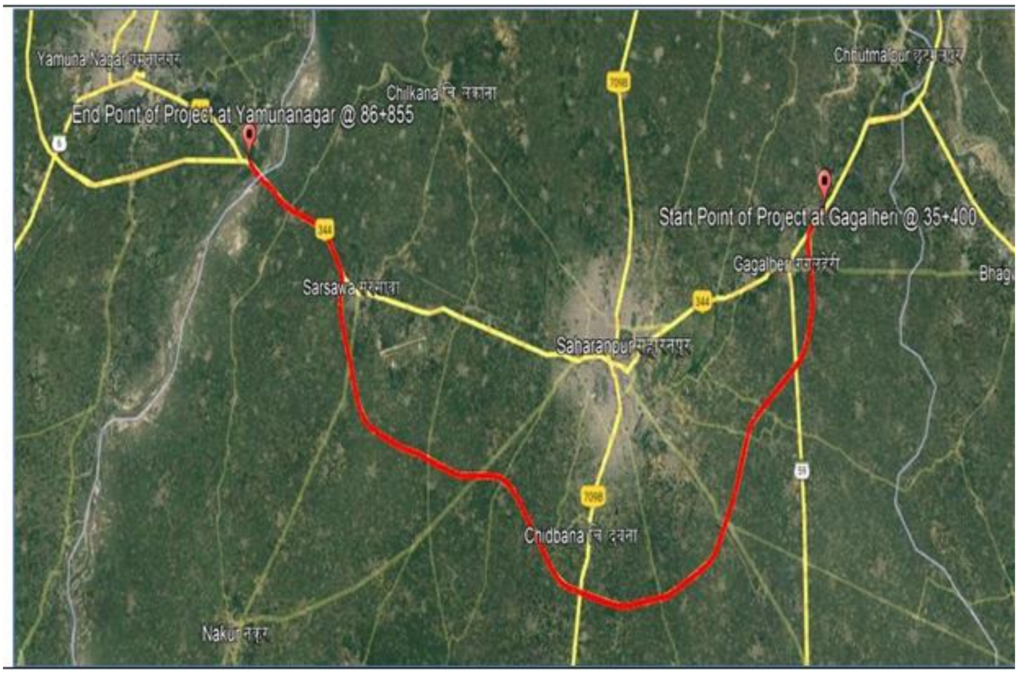
3.5.6. My team had conducted physical site visit for DME on 21st March 2025. Following are the pictures of the plant site:



3.6. **<u>Nxt-Infra GSY Highways Private Limited ("GSY")</u>**

3.6.1. Nxt-Infra GSY Highways Private Limited (GSY) was incorporated as on 11th May 2016. The SPV entered into a concession agreement dated 27th May, 2016 with NHAI and having the appointed date as on 27th January, 2018. The project was awarded to M/s MBL Infrastructures Ltd by NHAI under HAM for 15 years of operation & maintenance period from the PCOD i.e. 31st October, 2020.

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



Source: Investment Manager

3.6.3. Summary of project details of GSY is as follows:

Parameters	Details
Total Length	52 Km
Nos. of Lanes	4
NH / SH	NH 73
State Covered	Uttar Pradesh Haryana Border
Area (Start and End)	Gagalheri-Saharanpur-Yamunanagar
Bid Project Cost	INR 1,18,400 Lakhs
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	31st October 2020
Nos. of Annuities	30 (Semi-annual)
Construction Period	730 days
Operational Period	15 years

Source: Investment Manager

3.6.4. The corridor forms a part of existing road from 35.400 km to 85.855 (Approx. 51.455 Kms) of NH-73:

Sr. No.	Salient Features	Units	For SPV
1	Length of the Project Corridor	Kms	51
2	Major Bridges	No.	3
3	Minor Bridges	No.	9
4	Culverts (Pipe)	No.	69
5	Culvert (Slab/Box)	No.	20
6	Major Junctions	No.	2
7	Minor junctions	No.	4
8	Bus Bays with Shelter	No.	11
9	RCC Cover Drain	Kms	9
10	Road Markings	Sqm	46,640
11	W-Beam Safety Barriers	Kms	34
12	Delineators	No.	167
13	Kilometer Stones	No.	99
14	Hectometer Stones	No.	306
15	Road Signs	No.	460
16	Concrete Railing	Kms	3

Source: Investment Manager

3.6.5. The shareholding of GSY as on Valuation Date is as follows:

S. No.	Particulars	No. of Shares	%
1	Nxt-Infra Trust and its nominees	50,000	100.00%

Source: Investment Manager

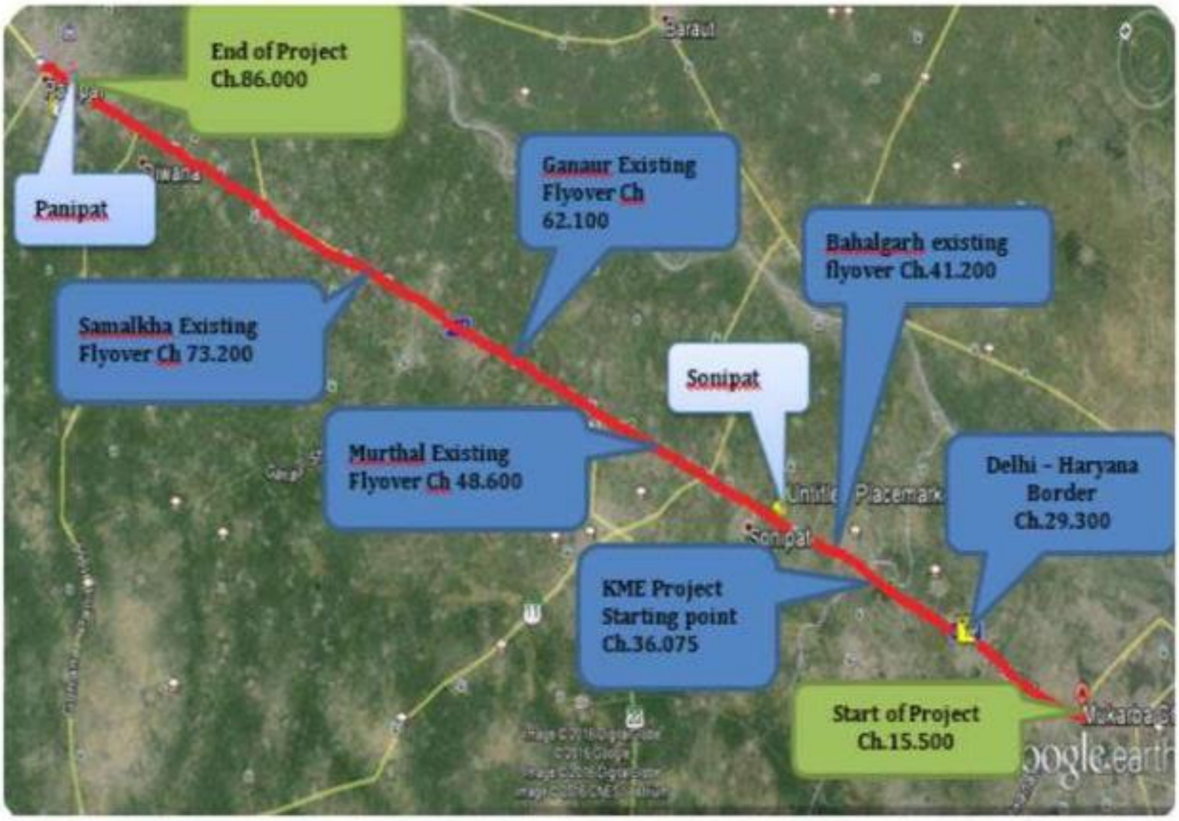
The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.6.6. My team had conducted physical site visit for GSY on 9th March 2025. Following are the pictures of the plant site:

3.7. <u>Nxt-Infra MCP Highways Private Limited ("MCP")</u>

3.7.1. Nxt-Infra MCP Highways Private Limited (MCP) was incorporated as on 13th September 2019. The SPV entered into a Substitution agreement dated 08th June, 2020 with NHAI under a harmonious substitution as per concession agreement dated 28th August,2015 between NHAI and previous concessionaire. The project was awarded to M/s Essel Infraprojects Limited by NHAI and later substituted to the SPV for 17 years of operation & maintenance period from the Appointed Date i.e. 27th October, 2016. The Project has successfully achieved its PCOD on 31st March, 2022.

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



Source: Investment Manager

3.7.3. Summary of project details of MCP is as follows:

Parameters	Details
Total Length	70.50 Km
Nos. of Lanes	8
NH / SH	NH 1 (New NH 44)
State Covered	Delhi-Haryana
Area (Start and End)	Delhi-Mubarka Chowk (Panipat)
Project Type	BOT - Toll
Concession Granted by	NHAI
PCOD Date	31st March 2022
Original Concession Period	17 years
Extension (If any)	3.4 years
Likely End of Concession Period	26th September 2037

Source: Investment Manager

3.7.4. The corridor forms a part of existing road from 15.500 km to 86.000 km (Approx. 70.500 Kms) of NH-1 (New NH-44):

Sr. No.	Salient Features	Units	Details
1	Length of the Project Corridor	Km's	71
2	Major Bridges	Nos	1
3	Minor Bridges	Nos	18
4	Culverts (Pipe)	Nos	33
5	Culvert (Slab/Box)	Nos	Slab-4 Box-42
6	Major Junctions	Nos	13
7	Minor junctions	Nos	22
8	RCC Cover Drain	Kms	119
9	Road Markings	Sqm	79
10	Rigid Concrete Barrier	Kms	30
11	Kilometer Stones	Nos	75
12	Road Signs	Nos	244
13	RCC Wall	Kms	4

Source: Investment Manager

3.7.5. The shareholding of MCP as on Valuation Date is as follows:

S. No.	Particulars	No. of shares	%
1	Nxt-Infra Trust	1,18,51,814	49.00%
2	Welspun Enterprises Limited	1,23,35,567	51.00%
	Total	**2,41,87,381**	**100.00%**

Source: Investment Manager

The Investment Manager has represented to me that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.

3.7.6. My team had conducted physical site visit for MCP on 20th March 2025. Following are the pictures of the plant site:

4. Overview of the Industry

4.1 **Introduction of Indian Infrastructure Industry**

As India strives towards becoming a developed economy, the transport sector plays a crucial role. In the 2025-26 Budget, the capital expenditure allocation is set at Rs 11.21 lakh crore.

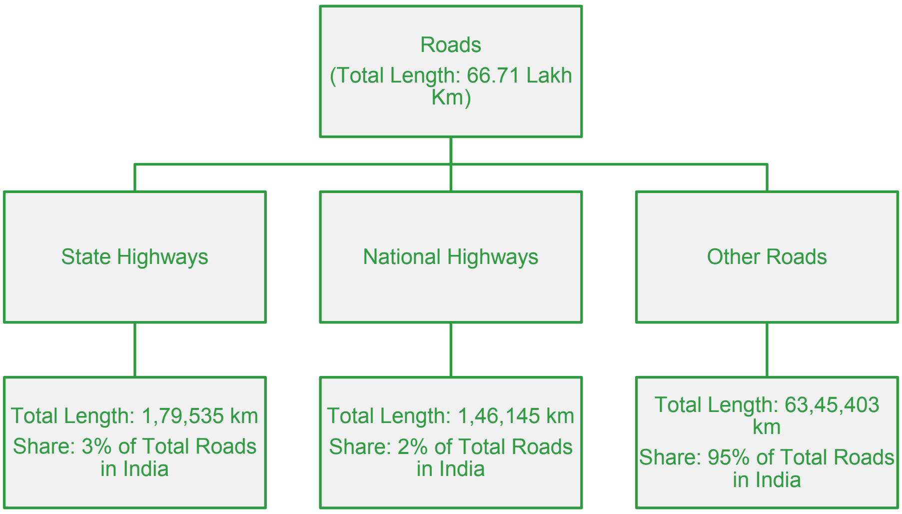
Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner Infrastructure related ministries to come up with 3-year pipeline of projects that can be implemented in public private partnership mode.

Rs1.5 lakh crore have been outlaid for 50-year interest free loans to states for capital expenditure and incentives for reforms.

The second asset monetization plan for 2025-30 is to be launched for generating capital of Rs 10 lakh crore for new projects.

4.2 **Road Network in India**

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



Source: MoRTH, Government of India

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

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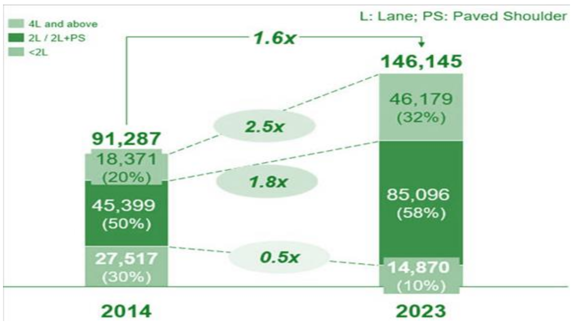
4.2.3 National Highway (NH) network increased by ~60% from 91,287 km in 2014 to 1,46,145 km in year 2024.

Following table provides the construction of Km per day for NH:

Year	Construction (per year)	Project Awarded (in km)	Construction (in km/day)
2015-16	6061	6397	16.6
2016-17	8231	4335	22.6
2017-18	9829	7400	26.9
2018-19	10855	6000	29.7
2019-20	10237	8948	28.1
2020-21	13327	10467	36.5
2021-22	10457	12731	28.6
2022-23	10331	7497	28.3
2023-24	~12300	~2500	34.0



Source: MoRTH, Government of India

4.3 **Government Agencies for Road Development**

4.3.1 The Ministry of Road Transport & Highway ("**MoRTH**") is responsible for development of Road Transport and Highways in general and construction & maintenance of National Highways.

4.3.2 The National Highways Authority of India ("**NHAI**") is an autonomous agency of the Government of India, set up in 1988 and is responsible for implementation of National Highways Development Project ("**NHDP**").

4.3.3 The NHDP in the context of NHs is nearing completion- in seven phases. Later, the other highway development programmes like Special Accelerated Road Development Programme for Development of Road Network in North Eastern States (SARDP- NE) and National Highways Interconnectivity Improvement Project (NHIIP) were also taken up by MoRTH. Further, Bharatmala Pariyojana is ongoing. For majority of the projects under NHDP and Bharatmala Pariyojana, NHAI is the implementation agency. Other NH related programmes/works are being implemented through agencies like National Highways Infrastructure Development Corporation Limited (NHIDCL), State Public Works Departments (PWDs), State Road Development Corporations and the Border Road Organization.

4.3.4 The National Highways Authority of India (NHAI) has made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.

4.3.5 National Highways Authority of India (NHAI) has also recently introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.

4.3.6 A total of 261 road projects under different Schemes of MoRTH with a total sanctioned cost of Rs. 1,02,594 crore (US$ 12.33 billion) are under implementation through the National Highways Authority of India (NHAI), National Highways & Infrastructure Development Corporation Ltd. (NHIDCL), and State Public Works Departments (PWDs) in the North-Eastern States. The Ministry of Development of the North-Eastern Region, under the erstwhile North-East Road Sector Development Scheme (NERSDS) and the present North-East Special Infrastructure Development Scheme (NESIDS), has sanctioned a total of 77 road projects amounting to Rs. 3,372.58 crore (US$ 405.5 million).

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

4.3.8 Roads in the jurisdiction of state governments are under different categories like State Highways ("SHs") and Major District Roads. They are being developed/ upgraded through State PWDs and State Road Development Corporations. Pradhan Mantri Gramm Sadak Yojana is being implemented for rural roads through the Ministry of Rural Affairs with active participation by state governments. Further, roads within urban areas are maintained/ developed mostly with PWDs and Urban Local Bodies.

4.3.9 State Governments have a significant role to play in developing the SHs, Major District Roads, Other District Roads to ensure the last mile connectivity. States have varying levels of maturity in terms of road infrastructure development due to issues such as inadequate identification and prioritization of projects, funding shortfall, limited institutional capacity to implement projects, etc.

4.4 **Trend of Road and Highways Construction**

4.4.1 The current rate of road construction is almost three times that in 2007-08.

4.4.2 The launch of the Bharatmala Pariyojana in 2017 provided a big leap to construction activity, with the pace of construction doubling from 12 km per day in 2014-15 to 30 km per day in 2022-23, and peaking at 37 km per day in 2020-21.

4.4.3 Under Phase-I of Bharatmala Pariyojana, the Ministry has approved the implementation of 34,800 km of national highways in 5 years with an outlay of Rs. 5,35,000 crore (US$ 76.55 billion). Under this scheme, 22 greenfield projects (8,000 km length) are being constructed; this is worth Rs. 3.26 lakh crore (US$ 43.94 billion).

4.4.4 The government aims to take this up to 100 km per day in the next few years.

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

4.4.6 Length of 4 lanes and above NH increased by 2.5 times – 18,387 km (2014) to 46,179 km (Nov'23)

4.4.7 Length of less than 2 lane NH decreased from 30% (2014) to 10% (Nov'23)

4.4.8 Average pace of NH construction increased by 143% to 28.3 km/day from 2014

4.4.9 Expenditure is expected to increase by 9.4 times from 2014.

4.4.10 Out of 108 (3700 km) port connectivity road projects, 8 (294 km) are completed, 28 (1808 km) are awarded and DPR under-progress for 72 (1595 km) projects

4.4.11 With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. Cumulative FDI inflows in construction development stood at US$ 35.24 billion between April 2000 - September 2024.

4.4.12 The GST on construction equipment has been reduced to 18% from 28%, which is expected to give a boost to infrastructure development in the country.

4.4.13 The NHDP is a program to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was started in 1998 to be implemented in 7 phases.

4.4.14 With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.

4.4.15 The Indian government launched Gati Shakti-National Master Plan, which has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres).

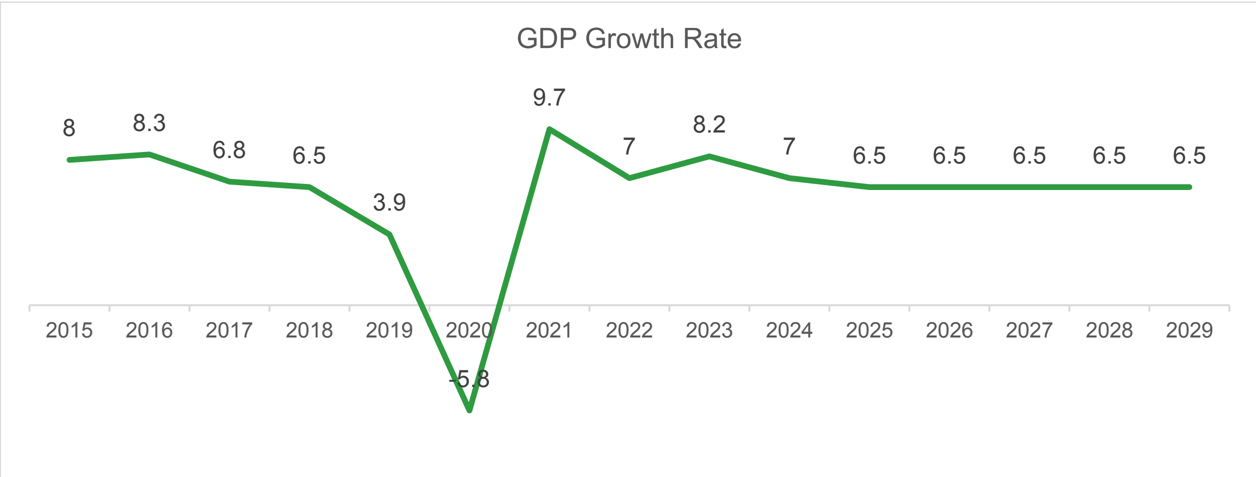
4.4.16 The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.

4.4.17 The development of market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country.

4.5 **Economic and Financial Outlook**

4.5.1 GDP Growth

India's real GDP growth in FY26 is expected to be between 6.3 and 6.8%. The industrial sector is estimated to grow by 6.2 per cent in FY25. Strong growth rates in construction activities and electricity, gas, water supply and other utility services are expected to support industrial expansion.

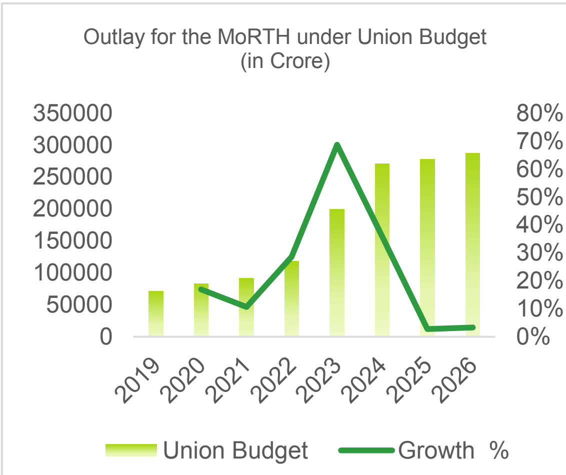


4.5.2 Government Spending

The Ministry of Road and Transport have been allocated Rs2.87 lakh crore under Budget 2025-26 which accounts to 5.7% of the total expenditure. This is an increase of 2.4% compared to the revised estimate for FY25.

Nearly 60% of the total allocation is set aside for the National Highways Authority of India (NHAI) at Rs1.7 lakh crore.

National Highways Authority of India (NHAI) spent a record-breaking Rs. 2,07,000 crore (US$ 24.79 billion) on the construction of national highways in the fiscal year 2023-24. This was the highest capital expenditure ever recorded, representing a 20% increase from last year.



4.5.3 Financing & Capital Structure Government Spending

Public Financing - Funding from government sources includes budgetary allocations, which are financed from taxes, cesses, or dedicated road funds. Publicly funded projects are usually given to contractors under various contract models such as the Engineering Procurement Construction (EPC).

Private Financing - Under private financing, the private developer builds a road, and in return has the right to collect toll for a specified period of time. The developer is responsible for the maintenance of roads during this period.

4.5.4 Infrastructure debt funds (IDFs) - Government of India has set up the India Infrastructure Finance Company (IIFCL) to provide long-term funding for infrastructure projects. Interest payment on external commercial borrowings for infrastructure are now subject to a lower withholding tax of 5% vis-a-vis 20% earlier.

4.6 Implementation of important projects and expressways:

4.6.1 Bharatmala Pariyojna

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

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

In Bharatmala Pariyojana, 60% projects are on Hybrid Annuity Mode (HAM), 10% projects on BOT (Toll) Mode and 30% projects on EPC mode have been envisaged respectively.

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

Component	Length (Km)	Cost (INR Mn)
Economic corridors development	9,000	12,00,000
Inter-corridor & feeder roads	6,000	8,00,000
National Corridors Efficiency	5,000	10,00,000
Border & International connectivity	2,000	2,50,000
Coastal & port connectivity roads	2,000	2,00,000
Expressways	800	4,00,000
Sub Total	**24,800**	**38,50,000**
Other works - under NHDP	10,000	15,00,000
Total	**34,800**	**53,50,000**

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

4.6.2 Char Dham Vikas Mahamarg Pariyojna:

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

4.6.3 Eastern peripheral and western peripheral expressway

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

4.6.4 NH-544G Bengaluru–Vijayawada Economic Corridor

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

4.6.5 Setu Bharatam:

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

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

a. Prime Minister Mr. Narendra Modi has dedicated a six-lane Greenfield motorway part of the Amritsar-Jamnagar Economic Corridor and the first phase of the Inter-State Transmission Line for Green Energy Corridor.

b. 1,100 km of National Highway works in the State of Kerala at an investment of INR 65,000 Crores including 600 km section of Mumbai Kanyakumari corridor in Kerala.

c. 675 km of highway works in the state of West Bengal at a cost of INR 25,000 Crores including upgradation of existing road-Kolkata –Siliguri.

d. In the Union Budget of 2025-26, the Government of India allocated Rs. 2.87 lakh crore (US$ 33.07 Billion) to the Ministry of Road Transport and Highways.

e. In the Union Budget 2025-26, the government proposed to increase allocation for capital expenditure to Rs. 11.21 lakh crore (US$ 129.0 billion), up 10.1% from revised budget estimate of Rs. 10.18 lakh crore (US$ 117.2 billion) in FY25.

f. In FY25 (up to December), the Ministry of Road Transport and National Highways awarded a total length of 3,100 kms.

g. A total of 600+ sites are planned to be awarded by 202 4-25 of which 144 Wayside Amenities (WSAs) have already been awarded.

4.7 **Opportunities in road development & maintenance in India**

a. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies

b. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 53.5 lakh Mn (US$ 741.51 billion).

c. The government also aims to construct 23 new national highways by 2025.

d. Road building in India is second least expensive in Asia.

e. Andhra Pradesh will spend US$ 296.05 million to build 8,970 kms of roads.

4.8 **Asset Monetisation**

4.8.1 **TOT Model** – Under this model, the right of collection of user fee (toll) in respect of selected operational highways constructed through public funding are assigned through a concession agreement as a result of bidding for a specified period of 15-30 years to the Concessionaire against upfront payment of a lump-sum amount quoted to the Government/NHAI. During the concession period, the responsibility for operations and maintenance of the road assets rests with the Concessionaire.

4.8.2 **InVIT Model** – NHAI has set up an InvIT under the SEBI InvIT Regulations, 2014 which is a pooled investment vehicle that issues units to investors, while having three entities for management of the Trust – Trustee, Investment Manager and Project Manager. The three entities have defined roles and responsibilities under the SEBI Regulations.

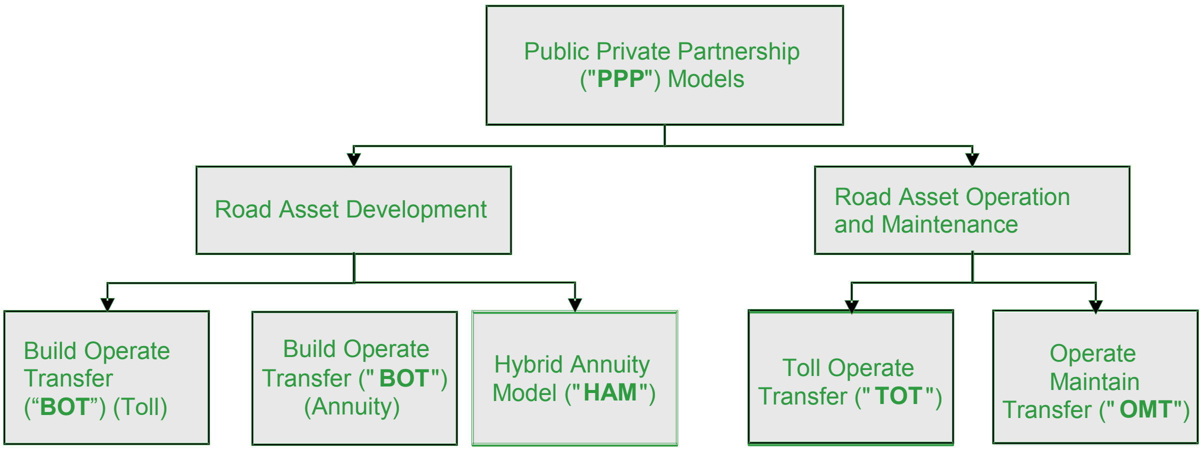
4.8.3 **Securitization through SPVs Model** – A SPV/DME (100% owned by NHAI), has been created by bundling road assets under consideration and securitizing the future user fee from the road assets. NHAI will collect tolls, maintain the road assets and periodically transfer payments to the SPV sufficient for servicing debt obligations at the SPV level. About Rs.3,70,000 Mn has already been raised through this method (DME- Delhi Mumbai Expressway) by NHAI so far.

4.9 **Utility Corridors**

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

4.10 **Public Private Partnership ("PPP") Models of road development and maintenance in India**

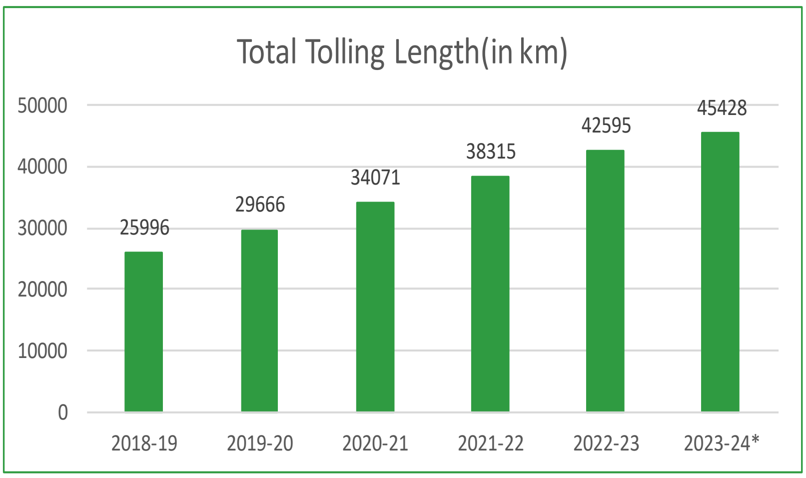
4.10.1 India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. PPP has been a major contributor to the success story of the roads and highway sector in India. With the emergence of private players over the last decade, the road construction market has become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



4.11 **<u>Road Asset Development Models</u>**

- **BOT Toll**

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



- **BOT Annuity**

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

- **HAM**

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

4.12 **Major Events of 2023 and 2024**

- In March 2024, Prime Minister Narendra Modi inaugurated and laid the foundation stone for 112 national highway projects across various states, with a total worth of approximately US$ 12.04 billion (Rs. 1 lakh crore).
- The country's first elevated eight-lane access control Dwarka expressway of 29.6 km length is built at a cost of Rs. 1 lakh crore (US$ 12.04 billion).
- In FY24 approximately 12,300 km of National Highways were constructed.
- Delhi-Vadodara Expressway: The Hon'ble Prime Minister dedicated to the nation 244.50 km long stretch of Delhi-Vadodara Expressway developed at a cost of about Rs. 1,18,950 Mn.
- The Hon'ble Prime Minister dedicated to the nation a road project 'four laning of 59 km long Suryapet to Khammam section of NH-365BB' built at a cost of about Rs.24,600 Mn.
- The Hon'ble Prime Minister laid the foundation stone of key road projects that are part of Nagpur -Vijayawada Economic Corridor.
- Foundation Stone laying for Karnataka Section of Six Lane Surat – Chennai Expressway (1270 Km)
- Hon'ble Prime Minister dedicated 118 km long Bengaluru-Mysuru Expressway to the nation and laid the foundation stone for the 92 km Mysuru-Kushalnagar 4-lane highway in Mandya, Karnataka
- Hon'ble Prime Minister inaugurated and laid the foundation stone of road projects worth about Rs.37,000 Mn at Chennai, Tamil Nadu.
- Hon'ble Prime Minister inaugurated and laid the foundation stones for upgradation of two lanes roads in Rajsamand and Udaipur.
- Foundation stones of five **National Highway projects worth Rs. 64,000** Mn were laid in Raipur on 07th July 2023.
- **Sustainable Road with Bio-Bitumen:** India's first eco-friendly road using lignin-based bio-bitumen was inaugurated on December 21, 2024, on the Nagpur-Mansar Bypass
- **PMGSY Phase IV Approval:** The government approved ₹70,125 crore for Phase IV of PMGSY to improve rural connectivity and upgrade bridges in August 2024.
- **Bengaluru–Chennai Expressway:** The Karnataka section of the Bengaluru–Chennai Expressway was completed and opened for traffic on December 9, 2024, with full completion expected by August 2025.

4.13 **Growth Drivers**

4.13.1 Robust Demand :

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

4.13.2 Increasing Investment :

Huge investment have been made in the sector with total investment increasing more than three times from 2014-15 to 2018- 19. Plans are in place to raise up to INR 45,00,000 Mn through monetization, of which INR 3,00,000 Mn will be raised through ToT mode and INR1,50,000 Mn through InvITs. NHAI will bid out nearly 75% of new highway projects on PPP. Projects worth over INR 5000 Mn will preferably be executed through PPP mode.

4.13.3 Policy Support :

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

4.14 Challenges & Issues in the Sector

4.14.1 Land Acquisition Delays & Cost :

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

4.14.2 Regulatory Approvals & Disputes :

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

4.14.3 Operational Issues :

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

4.14.4 Financing road construction projects :

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

4.14.5 Climate Change:

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

4.14.6 Economy and cost effectiveness:

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

a. Recent Initiatives by Government

i. Bhoomi Rashi – Land Acquisition Portal

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

ii. Central Road and Infrastucuture Fund (CRF)

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

iii. National Investment Fund (NIF)

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

iv. Investment in roads and other infrastructure

- CareEdge Ratings estimates that India will require additional infrastructure investment of US$ 18-20 trillion in the next 25 years to become a US$ 25-30 trillion economy by 2047.
- The Cabinet Committee on Economic Affairs, has given the approval for the development of eight key National High-Speed Corridor projects, spanning a total length of 936 km, with an investment of Rs. 50,655 crore (US$ 6.09 billion) nationwide.

v. FASTag – Electronic Toll Collection

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

vi. Revival of languishing projects

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

vii. Rural development

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

viii. Improve safety standards

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

ix. Portfolios in roads & highways sector

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

x. International Tie-ups

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

xi. Encourage private funding to reduce finance constraints

- FDI inflows in construction development stood at US$ 33.91 billion between April 2000 – March 2024.
- Indian Government and Asian Development Bank signed US$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar.
- The Government of India and New Development Bank (NDB) recently signed two loan agreements for US$ 646 million for upgrading the state highway and district road networks in Andhra Pradesh.

b. Outlook

i. Development and maintenance of road infrastructure is a key Government priority, the sector has received strong budgetary support over the years. During the past years, the standardized processes for Public Private Partnership & public funded projects and a clear policy framework relating to bidding and tolling have also been developed.

ii. The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development.

iii. The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometers by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector.

iv. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector.

v. The Government of India has allocated Rs. 111 lakh crore (US$ 1.4 trillion) under the National Infrastructure Pipeline for FY2020-25. The roads sector is likely to account for 18% capital expenditure over FY25.

Sources: IBEF Roads Report, August 2024; ICRA reports, website of Ministry of Road Transport and Highways, Government of India

5. Valuation Methodology and Approach

5.1 The present valuation exercise is being undertaken in order to derive the fair EV of the SPVs.

5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.

5.3. There are three generally accepted approaches to valuation:

(a) “Cost” approach
(b) “Market” approach
(c) “Income” approach

5.4. **Cost Approach**

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

Net Asset Value (“NAV”) Method

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

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

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

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

5.5. **Market Approach**

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

Comparable Companies Multiples (“CCM”) Method

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

Comparable Transactions Multiples (“CTM”) Method

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

Market Price Method

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

5.6. **Income Approach**

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

DCF Method

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

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

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

5.7. **Conclusion on Valuation Approach**

It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond my control. In performing my analysis, I have made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the SPVs. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the SPVs, and other factors which generally influence the valuation of companies and their assets.

The goal in selection of valuation approaches and methods for any business is to find out the most appropriate method under particular circumstances on the basis of available information. No one method is suitable in every possible situation. Before selecting the appropriate valuation approach and method, I have considered various factors, inter-alia, the basis and premise of current valuation exercise, purpose of valuation exercise, respective strengths and weaknesses of the possible valuation approach and methods, availability of adequate inputs or information and its reliability and valuation approach and methods considered by the market participants.

5.7.1 Cost Approach

The existing book value of EV of the SPVs comprising of the value of its Net fixed assets, Financial assets, Other non-current assets and working capital based on the audited financial statements as at 31st March 2025 prepared as per Indian Accounting Standards (Ind AS) are as under :

INR Lakhs	31st March 2025	
	Book EV (INR Lakhs)	Adjusted Book EV (INR Lakhs)
AM 2	52,345	60,883
CGRG	40,425	46,900
CTHPL	37,335	37,720
DME	26,124	28,080
GSY	64,065	66,200
MCP	1,64,491	1,78,338
Total	3,84,784	4,18,119

** 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 SPVs is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the Valuation Date.*

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

5.7.2 Market Approach

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

5.7.3 Income Approach

Each of the SPVs operates under a DBOT based concession agreement with the relevant Authority.

- **For HAM Assets**,

  Currently HAM SPVs are completed and are revenue generating. The revenue of the SPVs is based on tenure, annuity payments, operations and other factors that are unique to each of the SPVs.

  The revenue of the HAM SPVs is mainly derived from the annuity payments (annuity fees), interest income on balance annuity payments (which is linked to bank rate) and O&M payments (adjusted for inflation), that is defined under respective Concession Agreement for operation period for the HAM assets.

  The annuity fees are typically pre-determined with the relevant government authority (NHAI in this case) and cannot be modified to reflect prevailing circumstances. Interest on balance annuity payments are linked to bank rate, which is changed by RBI based on prevailing market conditions. The rights in relation to the underlying assets of all the HAM SPVs shall be transferred after the expiry of the Concession Period. Accordingly, since all the HAM SPVs are generating income based on pre-determined agreements / mechanism and since the Investment Manager has provided me with the financial projections of the SPVs for the balance tenor of the concession agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.

- **For Toll Asset,**

  Currently, the Toll SPV is completed and revenue generating. The revenue of the Toll SPV is based on tenure, traffic volumes, operations, macro-economic factors like GDP growth, WPI, and other factors that are unique to the SPV. The Toll SPV derive almost all of the revenue from its toll-road operations (toll collections) over the operation period. Traffic plying through the toll road is primarily dependent on sustained economic development in the regions that they operate in and government policies relating to infrastructure development. The Toll SPV are substantially dependent on the accuracy of their respective traffic volume forecasts. The rights in relation to the underlying assets of the Toll SPV shall be transferred after the expiry of the Concession Period. Accordingly, since the Toll SPV is generating income based on pre-determined agreement mechanism and since the Investment Manager has provided me with the financial projections of the Toll SPV for the balance tenor of the concession agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.

6. Valuation of the SPVs

6.1. I have estimated the Fair EV and Adjusted EV of the SPVs using the DCF Method. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPVs as provided by the Investment Manager.

Valuation

6.2. The key assumptions of the projections provided to me by the Investment Manager are:

Key Assumptions:

6.2.1. **Revenue cash flows**

- **For HAM SPVs,**

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

Payment by NHAI / State Authority during the Construction Period:

HAM SPVs other than AM2 having their Concession Agreement with the NHAI were eligible to receive 40% of the Bid Project Cost and AM2 having its Concession Agreement with the PWD(M) was eligible to receive 60% of the Bid Project Cost, adjusted for the price index multiple, in 5 equal installments during the construction period. I have been represented by the Investment Manager that all the SPVs have received the agreed portion of the inflation adjusted bid project cost (of 40% or 60% as applicable) as per their respective concession agreement. Hence, no further cash flow receipts are attributable towards this segment of cash flows.

Payment by NHAI / State Authority during the Operation Period: Accordingly, the revenue of the SPVs would mainly consists of the following receipts:

a. **Annuity payments**: The Bid Project Cost remaining, adjusted for the price index multiple, to be paid in pursuance of the respective concession agreements (i.e. the Balance Completion Cost) is eligible to be received by the respective SPVs by way of specified biannual installments as mentioned in their respective concession agreement for the balance period of operations.

b. **Interest**: As per the concession agreements, the SPVs are entitled to receive interest on reducing Balance Completion Cost equal to applicable Bank Rate (as decided by the Monetary Policy Committee and published by the Reserve Bank of India) + 3.00% spread. Such interest is due and payable along with each of the biannual installments as mentioned above; and

   As of the Valuation Date, the prevailing Bank Rate was 6.50%. Subsequently, the rate was reduced by 25 basis points, bringing it down to 6.25% on 9th April. For the purpose of this valuation Exercise, the Investment Manager has provided the projection of all the SPV's considering the Bank rate to be 6.25%.

   For comparison, the previous valuation as of 31st December 2023 used Bank Rate of 6.75%

c. **Operation and Maintenance Revenue**: In lieu of O&M expenses to be incurred by SPV, SPVs are eligible for certain O&M income (as defined in the respective concession agreement) at each biannual installment date, duly adjusted for an appropriate inflation rate.

   Following table summarizes the payment received by the respective SPVs from NHAI till the Valuation Date, and balance number of biannual annuity installments expected to be received:

INR Lakhs

Particulars	AM2	CGRG	CTHPL	DME	GSY
First NHAI Payment Amount	5,732	4,527	4,285	3,863	6,516
Second NHAI Payment Amount	7,414	3,246	5,380	3,791	5,696
Third NHAI Payment Amount	5,350	3,437	5,845	3,564	5,243
Fourth NHAI Payment Amount	6,523	4,238	5,705	3,403	5,059
Fifth NHAI Payment Amount	5,513	4,550	5,741	3,567	5,094
Sixth NHAI Payment Amount	6,411	4,059	5,748	3,276	5,123
Seventh NHAI Payment Amount	-	4,576	5,741	3,474	5,840
Eighth NHAI Payment Amount	-	3,976	-	3,519	6,509
Ninth NHAI Payment Amount	-	5,559	-	3,934	-
Tenth NHAI Payment Amount	-	-	-	3,948	-
Eleventh NHAI Payment Amount	-	-	-	3,957	-
Twelfth NHAI Payment Amount	-	-	-	3,937	-

Thirteenth NHAI Payment Amount	-	-	-	3,890	-
Total Annuity received	**36,943**	**38,168**	**38,446**	**48,123**	**45,079**
No. of Annuities Received till 31-Dec-23	**6**	**9**	**7**	**13**	**8**
No. of Annuities yet to be Received	**14**	**21**	**23**	**17**	**22**

- **For Toll SPV,**

Revenue cash flows for the SPV:

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

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

Concession Period

The Concession Period refers to the period where the Concessionaire has the responsibility to construct the road asset and post-construction is granted with the exclusive rights, license and authority to demand, collect and appropriate fee, operate, manage and maintain the project highway subject to the terms and conditions mention in their respective concession agreement. The cash flow projections are prepared by the Investment Manager for the balance concession period remaining from the Valuation Date. The Concession Period for MCP will end on 26th September, 2037.

Traffic Volumes

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

Toll Rates

During the concession period, the SPV operate and maintain the road asset and earn revenues through charges, fees or tolls generated from the asset. The amount of charges, fees or tolls that they may collect are notified by the relevant government authorities, which are usually revised annually as specified in the relevant concession agreement considering National Highways Fee (Determination of Rates and Collection) Rules, 2008, published by NHAI in toll notification for SPV on annual basis.

The toll rates for the projected period have been derived in the manner stipulated in the concession agreement of the SPV.

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

6.2.2. **Expenditure:**

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

6.2.3. **Operation and Maintenance Costs (Routine) ("O&M Costs")**

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

The Investment Manager has provided the estimated O&M costs for the projected period and I have corroborated the said expenses with the Technical Due Diligence report of the respective SPV prepared by the external professional agency (Samarth InfraEngg Technocrats Private Limited) for estimating major maintenance expenses and O&M Costs for the projected period.

Major Maintenance and Repairs Costs ("MMR Costs")

Estimating the MMR Costs

Period maintenance expenses will be incurred on periodic basis say every 3 years or more. These are the costs incurred to bring the road assets back to its earlier condition or keep the road assets in its present condition. These expenses are primarily related to the construction or re-laying of the top layer of the road. Accordingly such costs includes considerable amounts of materials and labour.

The Investment Manager has provided the estimated MMR cost for the projected period and I have corroborated the said expenses with the Technical Due Diligence report of the respective SPV prepared by the external professional agency (Samarth InfraEngg Technocrats Private Limited) for estimating major maintenance expenses and O&M Costs for the projected period.

6.2.4. **Capital Expenditure ("Capex"):**

As represented by the Investment Manager, regarding the maintenance Capex, the same has already been considered in the Operation & Maintenance expenditure and Major Maintenance and Repairs expenditure for the projected period.

6.2.5. **Direct Taxes**:

As per the discussions with the Investment Manager, taxes payable by DME and MCP for the projected period shall be MAT rates or normal tax rates, whichever is beneficial. While projecting the tax numbers, 80-IA benefits under the Income Tax Act, 1961 has been considered wherever applicable to arrive at tax payable by the SPVs.

Further the Investment Manager has provided that rest of the SPVs have opted to pay tax under new regime for corporates under section 115BAA.

As per the discussions with the Investment Manager, for DME the company wishes to continue with old tax regime till FY 32 and avail the benefits of additional depreciation, section 115JB and section 80IA and thereafter shift to the new tax regime (the base tax rate of 22%). I have relied on the representation of the Investment Manager for the projected tax outflow for the projected period.

6.2.6. **Working Capital:**

The Investment Manager has provided projected Working Capital information for the SPVs. I have relied on the same.

6.2.7. **GST Claim:**

i. **On Annuity and O&M Payments:** As per the clarification notification of Ministry of Road Transport & Highways as on 27th August 2021 vis-à-vis Ministry of Finance circular dated 17th June 2021, SPVs are eligible to claim reimbursement of GST on annuity and O&M payments, considering change in law, after adjusting GST input credit lying with the SPVs. Accordingly, following GST Claim % has been considered throughout the projected period in each SPVs as represented by Investment Manager:

Sr no	SPV	GST Claim %	
		Annuity	O&M
1	AM2	0.00%	0.00%
2	CGRG	8.67%	8.67%
3	CTHPL	8.07%	8.07%
4	DME	0.00%	10.41%
5	GSY	8.47%	8.47%

**However, as represented by Management, AM2 and DME have paid output GST on entire Bid Project Cost at the time of construction. Accordingly, Both the SPVs are not liable to pay GST on annuity receipt throughout the projected period and are not eligible to claim any reimbursement of GST on annuity.*

ii. **On Interest on Annuity:** As per the Ministry of Finance circular dated 17th June 2021, GST will be applicable on annuity (deferred payments) paid for construction of roads i.e. annuity plus interest, additionally Ministry of Road Transport & Highways issued clarification dated 17th June 2021 that the SPVs will be eligible to claim reimbursement of GST on interest.

iii. **Change in GST rates:** Ministry of Finance vide notification no. 03/2022 dated 13th July 2022, increased the GST rates applicable on road construction services from 12% to 18%. As per the clarification of Ministry of Road Transport & Highways dated 20th September 2022, the above increase in GST rates are eligible for reimbursement from NHAI as it is considered as change in law (i.e. change of rate).

6.3. Impact of Ongoing Material Litigation on Valuation

As on 31st March 2025, there are ongoing litigations as shown in Appendix 7. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPV.

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6.4. Calculation of Weighted Average Cost of Capital

6.4.1. Cost of Equity:

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

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

K(e) = Rf + [ERP* Beta] + CSRP

Wherein:

K(e) = cost of equity

Rf = risk free rate

ERP = Equity Risk Premium

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

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

For valuation exercise, I have arrived at adjusted cost of equity for each of the SPVs based on the above calculation. *(Refer Appendix 2 & 3 for detailed workings)*.

6.4.2. Risk Free Rate:

I have applied a risk free rate of return of 6.55% on the basis of the zero coupon yield curve as on 28th March 2025 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited. For comparison, the previous valuation as of 31st December 2023 used Risk Free Rate of 7.13%.

6.4.3. Equity Risk Premium ("ERP"):

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

For my estimation of the ERP, I have considered rolling historical returns of 10, 15 & 20 year of Nifty 50 index from year 2000 to March 2025. The 10 year rolling return, 15 year rolling return and the 20 year return for several periods were calculated. I have computed equity risk premium by averaging the above rolling returns for each period and accordingly I have arrived at ERP in the range of 6.2%, 6.4% and 8.1% which averages to ~ 7.0%. On the basis of above, a 7% Equity Risk Premium is considered appropriate for India. (Valuer analysis based on data from NSE Website). For comparison, the previous valuation as of 31st December 2023 used ERP of 7.0%

6.4.4. Debt-Equity Ratio

I have considered the target debt-equity ratio as per the industry standards. I have considered the industry benchmark since the cost of capital is a forward looking measure, and captures the cost of raising new funds to buy the asset at any valuation date (not the current actually deployed). Specifically, such benchmark is required to consider the nature of the asset class, and the comparative facts from the industry to arrive at the correct assumption

Given, the risk profile of HAM projects, and considering the leverage at 70% - 80% of the total project cost based on a rating agency report available in public domain, and further considering the InvIt Regulations allowing in general upto 70% leverage in assets where AAA rating has been obtained, a debt to equity ratio of 70% for HAM assets was found to be appropriate. As regards the toll assets, given their risk profile, debt equity percentage is typically lower in such industry based on a rating agency report available in public domain. Accordingly, considering the above factors, a debt-to-equity ratio of 50% was found to be appropriate.

6.4.5. **Beta:**

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

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

For the valuation of the Toll SPV, I find it appropriate to consider the beta of IRB InvIT Fund, IRB Infrastructure Developers Limited and Dilip Buildcon Limited for an appropriate period.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:
Unlevered Beta = Levered Beta / [1 + (Debt / Equity) *(1-T)]

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of HAM based projects and debt-equity at 50:50 based on the industry Debt: Equity ratio of Toll based projects using the following formula:
Re-levered Beta = Unlevered Beta * [1 + (Debt / Equity) *(1-T)]

Accordingly, as per above, I have arrived at re-levered betas of the SPVs. *(Refer Appendix 2 & 3 for detailed workings)*

6.4.6. **Company Specific Risk Premium ("CSRP"):**

As the risk inherent in achieving the future cash flows. In the present case, considering the counter-party risk for Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well certain SPVs, considering the length of the explicit period for the SPVs, and basis my discussion with Investment Manager, I found it appropriate to 0% CSRP for the five HAM SPVs and 1% CSRP for the Toll SPV.

6.4.7. **Cost of Debt:**

The calculation of Cost of Debt post-tax can be defined as follows:
K(d) = K(d) pre-tax * (1 - T)

Wherein:
K(d) = Cost of debt
T = tax rate as applicable

For valuation exercise, pre-tax cost of debt has been considered as 8.02% for all the Assets which, as represented by the Investment Manager, shall become effective from June 2025. For comparison, the previous valuation as of 31st December 2023 used Cost of Debt of 8.25%.

6.4.8. **Weighted Average Cost of Capital (WACC):**

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

Formula for calculation of WACC:
WACC = [K(d) * Debt /(Debt + Equity)] + [K(e) * (1 - Debt /(Debt + Equity))]

Accordingly, as per above, I have arrived the WACC for the explicit period of the SPVs.
(Refer Appendix 2 & 3 for detailed workings).
For comparison, the previous valuation as of 31st December 2023 used WACC as follows:

SPV	AM2	CGRG	CTHPL	DME	GSY	MCP
WACC	7.70%	7.90%	8.00%	7.98%	7.59%	10.07%

6.4.9. **Cash Accrual Factor (CAF) and Discounting Factor**

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

Since the cash inflows in case of HAM Assets are receivable on the predetermined dates as per the concession agreement it could be inaccurate to assume that the cash proceeds are all received at the end of each year. As a compromise, cash accrual factor is integrated into DCF models to assume that FCFs are received on the predetermined dates as per concession agreement. Accordingly, the cash flows of HAM assets during each year of the projected period are discounted back from the predetermined dates as per concession agreement to Valuation Date.

In case of the Toll assets, the cash inflows and outflows occur continuously year-round, it could be inaccurate to assume that the cash proceeds are all received at the end of each year. As a compromise, mid-year discounting is integrated into DCF models to assume that FCFs are received in the middle of the annual period. Accordingly, the cash flows for Toll assets during each year of the projected period are discounted back from the mid-year to Valuation Date.

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

$DCF = [CF_1 / (1+r)^{CAF1}] + [CF_2 / (1+r)^{CAF2}] + ... + [CF_n /(1+r)^{CAFn}]$

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

R = Discount Rate (i.e. WACC)

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

7. Valuation Conclusion

7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.

7.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPVs.

7.3. Based on the above analysis, the fair EV and Adjusted Enterprise Value as on the Valuation Date of the SPVs is as mentioned below:

INR Lakhs

Sr. No.	SPVs	Last Date	Approximate Balance Period	WACC	Enterprise Value*	Adjusted Enterprise Value**
1	AM 2	10-Nov-31	~6 Years 7 Months	7.66%	64,698	73,236
2	CGRG	05-Aug-35	~10 Years 4 Months	7.57%	46,246	52,721
3	CTHPL	25-Aug-36	~11 Years 5 Months	8.07%	40,332	40,717
4	DME	25-Jun-33	~8 Years 3 Months	7.83%	25,934	27,889
5	GSY	1-Nov-35	~10 Years 7 Months	7.40%	64,946	67,081
6	MCP***	26-Sep-37	~12 Years 6 Months	9.97%	3,48,070	3,61,918
	Total				**5,90,227**	**6,23,562**

(Refer Appendix 1 for detailed workings)

** Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust . As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.*

The above mentioned EV and Adjusted EV represents the value EV calculated at 100% equity stake level for MCP and since InvIT is currently proposing to acquire only 49% equity stake in MCP, the above mentioned values should be adjusted in this context for 49% equity stake level. In this regard, I have calculated EV and Adjusted EV at 100% equity stake level and 49% equity stake level in the below table for MCP:

INR Lakhs

SPVs	Enterprise Value		Adjusted Enterprise Value	
	at 100% equity stake level	at 49% equity stake level	at 100% equity stake level	at 49% equity stake level
MCP	3,48,070	1,70,554	3,61,918	1,77,340

7.4. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

7.5. Adjusted Enterprise Value is derived as EV as defined plus cash or cash equivalents of the SPVs as at 31st March 2025.

7.6. The fair EV of the SPVs is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.

7.7. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

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

a. WACC by increasing / decreasing it by 0.5%
b. WACC by increasing / decreasing it by 1.0%

c. Total Expenses by increasing / decreasing it by 20%
d. Total Revenue by increasing / decreasing it by 10% for Toll Asset,

1. Fair Enterprise Valuation Range based on

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

INR Lakhs

Sr. No	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	AM2	8.16%	63,793	7.66%	64,698	7.16%	65,627
2	CGRG	8.07%	45,307	7.57%	46,246	7.07%	47,219
3	CTHPL	8.57%	39,532	8.07%	40,332	7.57%	41,160
4	DME	8.33%	25,496	7.83%	25,934	7.33%	26,384
5	GSY	7.90%	63,625	7.40%	64,946	6.90%	66,316
6	MCP	10.47%	3,38,584	9.97%	3,48,070	9.47%	3,57,957
	Total		**5,76,337**		**5,90,227**		**6,04,662**

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

INR lakhs

Sr. No	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	AM2	8.66%	62,912	7.66%	64,698	6.66%	66,580
2	CGRG	8.57%	44,400	7.57%	46,246	6.57%	48,226
3	CTHPL	9.07%	38,757	8.07%	40,332	7.07%	42,016
4	DME	8.83%	25,070	7.83%	25,934	6.83%	26,846
5	GSY	8.40%	62,349	7.40%	64,946	6.40%	67,735
6	MCP	10.97%	3,29,479	9.97%	3,48,070	8.97%	3,68,265
	Total		**5,62,966**		**5,90,227**		**6,19,668**

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

INR Lakhs

Sr. No.	SPVs	EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	AM2	68,080	64,698	61,297
2	CGRG	48,980	46,246	43,352
3	CTHPL	45,947	40,332	35,197
4	DME	28,620	25,934	22,924
5	GSY	67,374	64,946	62,433
6	MCP	3,63,380	3,48,070	3,32,761
	Total	**6,22,381**	**5,90,227**	**5,57,963**

d. Fair Enterprise Valuation Range based on Revenue parameter (10%)

INR Lakhs

Sr. No.	SPVs	EV at Revenue -10%	EV at Base Revenue*	EV at Revenue +10%
1	MCP	3,08,011	3,48,070	3,88,130

**Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.*

The above mentioned EV and Adjusted EV represents the value EV calculated at 100% equity stake level for MCP and since InvIT is currently holding only 49% equity stake in MCP, the above mentioned values should be adjusted in this context for 49% equity stake level.

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

Scope of Work

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

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

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

Limitations

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

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

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

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

Analysis of Additional Set of Disclosures for the SPVs

A. Purchase Price of the SPVs by the InvIT

As informed by the Investment manager, following are the purchase price of the SPVs of the InvIT acquired from the Sponsor in FY25:

Sr. No.	SPVs	Equity Stake	Purchase Consideration (INR Lakhs)
1	AM2	100%	13,432
2	CGRG	100%	11,105
3	CTHPL	100%	10,981
4	DME	100%	7,411
5	GSY	100%	15,057
6	MCP	49%	75,013
	Total		**1,33,000**

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

As informed by the Investment Manager, there are no pending applications for government sanctions/ approvals by the SPVs (related to the road stretches of the SPVs) which are pending as on 31st March 2025. The list of sanctions/ approvals obtained by the SPVs till 31st March 2025 is provided in Appendix 6.1 to Appendix 6.6.

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

The Investment Manager has confirmed that the SPVs are not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 31st March 2025.

D. Statement of assets included:

The details of assets of the SPVs as per the audited financial statements at 31st March 2025 are as mentioned below:

INR Lakhs

Sr. No.	SPVs	Net Fixed Assets	Net Intangible Asset	Non-Current Assets	Current Assets
1	AM 2	17	-	41,879	25,837
2	CGRG	4	-	30,203	17,367
3	CTHPL	5	-	45,350	11,869
4	DME	7	-	19,490	9,051
5	GSY	3	-	51,923	14,906
6	MCP	27	1,75,581	1,91,247	11,057
	Total	**62**	**1,75,581**	**3,80,091**	**90,088**

Source: Investment Manager

E. Amount of outstanding debt payable by SPV to InvIT as at the Valuation Date:

The amount of InvIT Debt outstanding (including accrued interest) as per the audited financial statements as at 31st March 2025 of each of the SPVs is as mentioned below:

INR Lakhs

Sr. No.	SPVs	InvIT Debt
1	AM 2	34,550
2	CGRG	56,997
3	CTHPL	76,646
4	DME	28,017
5	GSY	68,956
6	MCP	1,70,531
	Total	**4,35,697**

Source: Investment Manager

F. Estimates of already carried and proposed major repairs and improvements along with estimated time of completion:

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

Historic major repairs

INR Lakhs

SPV	FY 25
AM2	2,726
CGRG	-
CTHPL	-
DME	-
GSY	-
MCP	-

Source: Investment Manager

Forecasted major repairs

INR Lakhs

SPVs	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32
AM2	2,219	-	-	15,824	-	-	88
CGRG	685	1,041	1,093	1,148	181	-	635
CTHPL	162	5,297	5,165	-	-	87	345
DME	3,824	163	16	-	73	-	-
GSY	1,079	601	631	662	158	-	315
MCP	536	432	28,880	-	274	-	855

SPVs	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38
AM2	-	-	-	-	-	-
CGRG	419	4,635	-	1,015	-	-
CTHPL	40	-	6,000	7,143	327	-
DME	6,770	-	-	-	-	-
GSY	367	4,280	-	596	-	-
MCP	7,260	1,162	8,616	-	21,305	18,974

Source: Investment Manager

G. Valuation of the project in past 3 years:

INR Lakhs

Sr. No.	SPVs	EV as at 30th Sep 2023	EV as at 31st Dec 2023
1	AM2	69,993	65,311
2	CGRG	59,209	53,997
3	CTHPL	56,915	53,396
4	DME	34,405	36,036
5	GSY	77,697	73,215
6	MCP	3,78,462	3,64,744
	Total	**6,78,680**	**6,46,700**

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

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

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

As informed by the Investment Manager, as on 31st March 2025, there are no ongoing material litigations, except indirect tax litigations as shown in Appendix 7. Further, Investment Manager has informed us that majority of the tax litigations are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPVs.

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

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

9. Sources of Information

For the purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:

- Audited Financial Statements of the SPVs for Financial Year (“FY”) ended 31st March 2025.
- Projected financial information for the remaining project life for each of the SPVs;
- Pass orders and milestone payment order issued by NHAI & respective authority for all the Annuity SPVs
- Details of projected Major Maintenance & Repairs (MMR) Expenditure and Capital Expenditure (Capex);
- Technical Due Diligence Study Report dated February 2025 for all the SPVs, prepared by M/s Samarth InfraEngg Technocrats Private Limited for projected Major Maintenance & Repairs and O&M Costs;
- Traffic Study Report dated May 2025 for the Toll SPV, prepared by Crisil Intelligence, CRISIL Limited for projected Traffic Volumes.
- Concession Agreement of each of the SPVs with the respective authority;
- List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs;
- Shareholding pattern as on Valuation Date of the SPVs and other entities mentioned in this Report;
- Management Representation Letter by the Investment Manager dated 28th May, 2025;
- Relevant data and information about the SPVs provided by the Investment Manager either in written or oral form or in the form of soft copy;
- Information provided by leading database sources, market research reports and other published data.

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

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

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

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10. Exclusions and Limitations

10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

10.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31st March 2025 (“Valuation Date”) mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

10.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPVs till 31st March 2025. The Investment Manager has represented that the business activities of the SPVs have been carried out in normal and ordinary course between 31st March 2025 and the Report Date and that no material changes have occurred in the operations and financial position between 31st March 2025 and the Report date, except for any events disclosed by the Investment Manager during the valuation exercise.

10.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.

10.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out here in which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.

10.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.

10.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.

10.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party’s own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

10.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

10.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.

10.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.

10.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.

10.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

10.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.

10.15. My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.

10.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.

10.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.

10.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.

10.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.

10.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice or opinion and accordingly I do not assume any responsibility or liability in respect thereof.

10.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

10.22. I am not an advisor with respect to legal, tax and regulatory mattersfor the transaction occurred. No investigation of the SPVs' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

10.23. I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPVs.

10.24. I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.

10.25. **Limitation of Liabilities**

i. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Transferor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.

ii. In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).

iii. It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.

iv. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.

10.26. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

Yours faithfully,

S. Sundararaman
Registered Valuer
IBBI Registration No.: IBBI/RV/06/2018/10238
Place: Chennai
UDIN: 25028423BMOMXM1072

Appendix 1.1 – Valuation of AM2 as on 31st March 2025

AM 2 — INR Lakhs

Year	Financial Income	Construction Revenue	O&M Income	Changes in Financial Asset	Total Inflow	Expenses	MM Expense	Changes in Working Capital	Tax Outflow	Free Cash Flow to Firm	Cash Accrual Factor	WACC	Discounting Factor	PV of FCFF
	A	B	C	D	E = A+B+C+D	F	G	H	I	J = E+F+G+H+I	K	L	M	N = J*M
10-May-25	4,747	-	2,790	1,128	8,665	(617)	(2,219)	4,750	(1,353)	9,226	0.19	7.66%	0.99	9,096
10-Nov-25	4,599	-	571	3,282	8,452	(617)	-	204	(1,410)	6,629	0.70	7.66%	0.95	6,297
10-May-26	4,297	-	586	3,436	8,319	(655)	-	-	(1,382)	6,282	1.19	7.66%	0.92	5,754
10-Nov-26	3,980	-	586	3,629	8,195	(655)	-	-	(1,342)	6,199	1.70	7.66%	0.88	5,470
10-May-27	3,643	-	615	3,869	8,126	(683)	-	-	(1,326)	6,117	2.19	7.66%	0.85	5,204
10-Nov-27	3,285	-	615	4,097	7,997	(683)	-	-	(1,284)	6,030	2.70	7.66%	0.82	4,942
10-May-28	3,084	-	8,558	(3,693)	7,949	(709)	(7,912)	(706)	-	(1,378)	3.19	7.66%	0.79	(1,088)
10-Nov-28	3,438	-	8,558	(4,191)	7,805	(709)	(7,912)	(732)	-	(1,548)	3.70	7.66%	0.76	(1,178)
10-May-29	3,544	-	678	5,910	10,132	(736)	-	856	(332)	9,920	4.19	7.66%	0.73	7,280
10-Nov-29	2,998	-	678	6,251	9,927	(736)	-	582	(1,754)	8,019	4.70	7.66%	0.71	5,670
10-May-30	2,413	-	731	6,735	9,880	(787)	-	-	(1,739)	7,355	5.19	7.66%	0.68	5,014
10-Nov-30	1,790	-	731	7,146	9,668	(787)	-	-	(1,676)	7,205	5.70	7.66%	0.66	4,732
10-May-31	1,121	-	822	7,695	9,638	(810)	(66)	-	(1,655)	7,107	6.19	7.66%	0.63	4,501
10-Nov-31	402	-	274	8,743	9,418	(278)	(22)	(2,465)	(1,729)	4,924	6.70	7.66%	0.61	3,004
Enterprise Value														**64,698**
(+) Closing cash or cash equivalents as at the Valuation Date														8,538
Adjusted Enterprise Value														**73,236**

Appendix 1.2 – Valuation of CGRG as on 31st March 2025

CGRG														INR Lakhs
Year	Financial Income	Changes in Financial Asset	O&M Income	Construction revenue	Total Inflow	Expenses	MM Expense	Changes in Working Capital	Tax Outflow	Free Cash Flow to Firm	Cash Accrual Factor	WACC	Discounting Factor	PV of FCFF
	A	B	C	D	E = A+B+C+D	F	G	H	I	J = E+F+G+H+I	K	L	M	N = J*M
05-Aug-25	2,628	1,285	926	-	4,838	(591)	(342)	743	(625)	4,023	0.43	7.57%	0.97	3,898
01-Feb-26	2,539	1,233	926	18	4,715	(609)	(342)	700	(440)	4,023	0.92	7.57%	0.93	3,761
05-Aug-26	2,456	1,208	1,116	-	4,780	(604)	(520)	331	(399)	3,587	1.43	7.57%	0.90	3,231
01-Feb-27	2,372	1,199	1,116	-	4,687	(604)	(520)	-	(390)	3,173	1.92	7.57%	0.87	2,757
05-Aug-27	2,289	1,285	1,172	-	4,746	(634)	(546)	-	(376)	3,189	2.43	7.57%	0.84	2,670
01-Feb-28	2,200	1,280	1,172	-	4,652	(634)	(546)	-	(367)	3,104	2.92	7.57%	0.81	2,508
05-Aug-28	2,112	1,376	1,230	-	4,718	(666)	(574)	-	(352)	3,127	3.43	7.57%	0.78	2,434
01-Feb-29	2,016	1,373	1,230	-	4,620	(666)	(574)	-	(344)	3,036	3.93	7.57%	0.75	2,280
05-Aug-29	1,913	1,974	780	-	4,667	(699)	(91)	-	(455)	3,422	4.43	7.57%	0.72	2,476
01-Feb-30	1,775	2,029	780	-	4,584	(699)	(91)	-	(448)	3,346	4.93	7.57%	0.70	2,335
05-Aug-30	1,634	2,215	778	-	4,627	(788)	-	-	(445)	3,394	5.43	7.57%	0.67	2,282
01-Feb-31	1,480	2,286	778	-	4,544	(788)	-	-	(438)	3,317	5.93	7.57%	0.65	2,152
05-Aug-31	1,326	2,172	1,078	-	4,576	(775)	(318)	-	(357)	3,126	6.43	7.57%	0.63	1,955
01-Feb-32	1,175	2,246	1,078	-	4,498	(775)	(318)	-	(351)	3,054	6.93	7.57%	0.60	1,842
05-Aug-32	1,017	2,506	1,008	-	4,531	(819)	(210)	-	(360)	3,142	7.44	7.57%	0.58	1,826
01-Feb-33	843	2,567	1,008	-	4,417	(819)	(210)	-	(348)	3,040	7.93	7.57%	0.56	1,704
05-Aug-33	701	506	3,156	-	4,363	(864)	(2,318)	-	-	1,181	8.44	7.57%	0.54	638
01-Feb-34	666	510	3,156	-	4,331	(864)	(2,318)	-	-	1,150	8.93	7.57%	0.52	599
05-Aug-34	592	2,937	900	-	4,429	(924)	-	-	-	3,504	9.44	7.57%	0.50	1,760
01-Feb-35	387	3,014	900	-	4,301	(924)	-	-	(276)	3,100	9.93	7.57%	0.48	1,502
05-Aug-35	197	2,328	1,697	-	4,221	(706)	(1,015)	1,119	(111)	3,508	10.44	7.57%	0.47	1,638
Enterprise Value														**46,246**
(+) Closing cash or cash equivalents as at the Valuation Date														6,475
Adjusted Enterprise Value														**52,721**

Appendix 1.3 – Valuation of CTHPL as on 31st March 2025

CTHPL														INR Lakhs
Year	Financial Income	Changes in Financial Asset	O&M Income	Construction Revenue	Total Inflow	Expenses	MM Expense	Changes in Working Capital	Tax Outflow	Free Cash Flow to Firm	Cash Accrual Factor	WACC	Discounting Factor	PV of FCFF
	A	B	C	D	E = A+B+C+D	F	G	H	I	J = E+F+G+H+I	K	L	M	N = J*M
25-Aug-25	2,088	2,155	822	-	5,066	(745)	(81)	806	(631)	4,415	0.48	8.07%	0.96	4,252
25-Feb-26	1,957	2,280	822	-	5,059	(745)	(81)	805	(520)	4,518	0.99	8.07%	0.93	4,185
25-Aug-26	1,857	(295)	3,427	-	4,989	(782)	(2,649)	325	-	1,883	1.48	8.07%	0.89	1,678
25-Feb-27	1,875	(310)	3,427	-	4,992	(782)	(2,649)	326	-	1,887	1.99	8.07%	0.86	1,617
25-Aug-27	1,893	(374)	3,407	-	4,927	(828)	(2,583)	320	-	1,836	2.48	8.07%	0.82	1,514
25-Feb-28	1,916	(395)	3,407	-	4,928	(828)	(2,583)	137	-	1,655	2.99	8.07%	0.79	1,312
25-Aug-28	1,902	2,113	858	-	4,873	(862)	-	-	-	4,011	3.49	8.07%	0.76	3,060
25-Feb-29	1,773	2,220	858	-	4,851	(862)	-	-	(311)	3,678	3.99	8.07%	0.73	2,698
25-Aug-29	1,639	2,225	925	-	4,789	(929)	-	-	(435)	3,425	4.49	8.07%	0.71	2,418
25-Feb-30	1,503	2,348	925	-	4,777	(929)	-	-	(423)	3,425	4.99	8.07%	0.68	2,325
25-Aug-30	1,361	2,356	995	-	4,712	(956)	(43)	-	(398)	3,315	5.49	8.07%	0.65	2,166
25-Feb-31	1,218	2,483	995	-	4,695	(956)	(43)	-	(385)	3,312	5.99	8.07%	0.63	2,081
25-Aug-31	1,069	2,391	1,175	-	4,635	(1,006)	(173)	-	(333)	3,123	6.49	8.07%	0.60	1,888
25-Feb-32	924	2,508	1,175	-	4,607	(1,006)	(173)	-	(317)	3,111	6.99	8.07%	0.58	1,809
25-Aug-32	769	2,719	1,063	-	4,552	(1,048)	(20)	-	(337)	3,147	7.49	8.07%	0.56	1,760
25-Feb-33	603	2,844	1,063	-	4,510	(1,048)	(20)	-	(321)	3,122	7.99	8.07%	0.54	1,679
25-Aug-33	431	2,916	1,105	-	4,452	(1,115)	-	-	(304)	3,033	8.49	8.07%	0.52	1,570
25-Feb-34	253	3,012	1,105	-	4,370	(1,115)	-	-	(275)	2,981	8.99	8.07%	0.50	1,484
25-Aug-34	115	(38)	4,150	-	4,227	(1,158)	(3,000)	-	-	70	9.49	8.07%	0.48	33
25-Feb-35	118	(46)	4,150	-	4,222	(1,158)	(3,000)	-	-	65	9.99	8.07%	0.46	30
25-Aug-35	130	(659)	4,796	-	4,267	(1,230)	(3,571)	(27)	-	(561)	10.49	8.07%	0.44	(249)
25-Feb-36	170	(831)	4,796	-	4,136	(1,230)	(3,571)	(51)	-	(716)	10.99	8.07%	0.43	(305)
25-Aug-36	174	2,445	1,370	-	3,988	(1,049)	(327)	623	-	3,235	11.49	8.07%	0.41	1,326
Enterprise Value														**40,332**
(+) Closing cash or cash equivalents as at the Valuation Date														385
Adjusted Enterprise Value														**40,717**

Appendix 1.4 – Valuation of DME as on 31st March 2025

DME														INR Lakhs
Year	Financial Income	Changes in Financial Asset	O&M Income	Construction Revenue	Total Inflow	Expenses	MM Expense	Changes in Working Capital	Tax Outflow	Free Cash Flow to Firm	Cash Accrual Factor	WACC	Discounting Factor	PV of FCFF
	A	B	C	D	E = A+B+C+D	F	G	H	I	J = E+F+G+H+I	K	L	M	N = J*M
25-Jun-25	1,210	13	2,492	-	3,714	(587)	(1,912)	(15)	(210)	991	0.32	7.83%	0.98	967
25-Dec-25	1,211	(47)	2,492	-	3,655	(587)	(1,912)	(71)	(210)	876	0.82	7.83%	0.94	823
25-Jun-26	1,192	1,746	696	-	3,633	(622)	(82)	239	(207)	2,962	1.32	7.83%	0.91	2,682
25-Dec-26	1,106	1,810	696	-	3,612	(622)	(82)	-	(192)	2,717	1.82	7.83%	0.87	2,368
25-Jun-27	1,017	1,923	647	-	3,586	(644)	(8)	-	(177)	2,758	2.32	7.83%	0.84	2,316
25-Dec-27	922	1,995	647	-	3,564	(644)	(8)	-	(160)	2,752	2.82	7.83%	0.81	2,225
25-Jun-28	825	2,052	670	-	3,547	(674)	-	-	(143)	2,729	3.32	7.83%	0.78	2,125
25-Dec-28	724	2,117	670	-	3,511	(674)	-	-	(126)	2,711	3.82	7.83%	0.75	2,033
25-Jun-29	621	2,123	740	-	3,484	(708)	(36)	-	(108)	2,632	4.32	7.83%	0.72	1,900
25-Dec-29	517	2,196	740	-	3,454	(708)	(36)	-	(90)	2,620	4.82	7.83%	0.70	1,821
25-Jun-30	409	2,278	740	-	3,428	(744)	-	-	(71)	2,613	5.32	7.83%	0.67	1,750
25-Dec-30	299	2,324	740	-	3,363	(744)	-	-	(51)	2,567	5.82	7.83%	0.64	1,655
25-Jun-31	187	2,281	802	-	3,270	(806)	-	-	(32)	2,432	6.32	7.83%	0.62	1,510
25-Dec-31	74	2,391	802	-	3,267	(806)	-	-	(12)	2,449	6.82	7.83%	0.60	1,464
25-Jun-32	38	(4,304)	7,585	-	3,319	(820)	(6,770)	(1,182)	(6)	(5,459)	7.32	7.83%	0.58	(3,143)
25-Dec-32	170	2,235	815	-	3,220	(820)	-	15	(29)	2,386	7.82	7.83%	0.55	1,323
25-Jun-33	63	2,600	455	-	3,118	(461)	-	1,310	(10)	3,957	8.32	7.83%	0.53	2,113
Enterprise Value														**25,934**
(+) Closing cash or cash equivalents as at the Valuation Date														1,955
Adjusted Enterprise Value														**27,889**

Appendix 1.5 – Valuation of GSY as on 31st March 2025

GSY													INR lakhs
Year	Financial Income	Changes in Financial Asset	O&M Income	Total Inflow	Expenses	MM Expense	Changes in Working Capital	Tax Outflow	Free Cash Flow to Firm	Cash Accrual Factor	WACC	Discounting Factor	PV of FCFF
	A	B	C	E = A+B+C+D	F	G	H	I	J = E+F+G+H+I	K	L	M	N = J*M
01-May-25	3,207	1,797	1,020	6,024	(482)	(540)	916	(1,154)	4,765	0.17	7.40%	0.99	4,708
01-Nov-25	3,110	1,864	1,020	5,994	(482)	(540)	910	(627)	5,256	0.67	7.40%	0.95	5,010
01-May-26	3,009	2,039	808	5,856	(511)	(300)	139	(656)	4,529	1.17	7.40%	0.92	4,167
01-Nov-26	2,898	2,157	808	5,863	(511)	(300)	-	(647)	4,404	1.67	7.40%	0.89	3,909
01-May-27	2,782	2,189	842	5,812	(531)	(315)	-	(636)	4,330	2.17	7.40%	0.86	3,709
01-Nov-27	2,663	2,304	842	5,808	(531)	(315)	-	(625)	4,337	2.67	7.40%	0.83	3,584
01-May-28	2,539	2,348	884	5,770	(559)	(331)	-	(612)	4,268	3.17	7.40%	0.80	3,404
01-Nov-28	2,411	2,454	884	5,749	(559)	(331)	-	(600)	4,260	3.67	7.40%	0.77	3,277
01-May-29	2,276	2,761	667	5,704	(594)	(79)	-	(653)	4,378	4.17	7.40%	0.74	3,251
01-Nov-29	2,126	2,892	667	5,685	(594)	(79)	-	(638)	4,373	4.67	7.40%	0.72	3,133
01-May-30	1,968	3,064	613	5,646	(619)	-	-	(652)	4,375	5.17	7.40%	0.69	3,025
01-Nov-30	1,802	3,206	613	5,622	(619)	-	-	(636)	4,367	5.67	7.40%	0.67	2,912
01-May-31	1,631	3,126	824	5,581	(675)	(158)	-	(583)	4,165	6.17	7.40%	0.64	2,681
01-Nov-31	1,462	3,258	824	5,544	(675)	(158)	-	(563)	4,148	6.67	7.40%	0.62	2,576
01-May-32	1,285	3,377	855	5,517	(684)	(183)	-	(555)	4,094	7.17	7.40%	0.60	2,454
01-Nov-32	1,102	3,508	855	5,466	(684)	(183)	-	(536)	4,063	7.68	7.40%	0.58	2,349
01-May-33	940	1,606	2,845	5,392	(720)	(2,140)	-	(26)	2,506	8.17	7.40%	0.56	1,398
01-Nov-33	856	1,542	2,845	5,243	(720)	(2,140)	-	-	2,383	8.68	7.40%	0.54	1,283
01-May-34	743	3,773	750	5,266	(763)	-	-	(501)	4,003	9.17	7.40%	0.52	2,080
01-Nov-34	536	4,026	750	5,313	(763)	-	-	(523)	4,026	9.68	7.40%	0.50	2,018
01-May-35	327	3,565	1,319	5,211	(821)	(511)	-	(365)	3,515	10.17	7.40%	0.48	1,701
01-Nov-35	126	4,687	220	5,032	(141)	(85)	751	(586)	4,971	10.68	7.40%	0.47	2,320
Enterprise Value													**64,946**
(+) Closing cash or cash equivalents as at the Valuation Date													2,135
Adjusted Enterprise Value													**67,081**

Appendix 1.6 – Valuation of MCP as on 31st March 2025

MCP											INR Lakhs
Year	Revenue	EBITDA	Major Maintenace Expense	Capital Expenditure	Changes in Working Capital	Taxation	FCFF	CAF	WACC	Discounting Factor	PV of FCFF
	A	B	C	D	E	F	G=B+C+D+E+F	H	I	J = E+F+G+H+I	K
FY 26	41,068	37,025	(536)	(1,075)	-	(2,744)	32,671	0.50	9.97%	0.95	31,154
FY 27	45,463	41,247	(432)	-	-	(3,482)	37,333	1.50	9.97%	0.87	32,372
FY 28	50,142	45,674	(28,880)	-	-	(4,247)	12,546	2.50	9.97%	0.79	9,892
FY 29	55,713	50,961	-	-	-	(4,935)	46,026	3.50	9.97%	0.72	33,000
FY 30	60,773	55,664	(274)	-	-	(5,756)	49,633	4.50	9.97%	0.65	32,359
FY 31	66,303	60,716	-	-	-	(6,639)	54,077	5.50	9.97%	0.59	32,059
FY 32	71,929	66,048	(855)	-	-	(7,563)	57,631	6.50	9.97%	0.54	31,068
FY 33	78,340	72,022	(7,260)	-	-	(8,615)	56,148	7.50	9.97%	0.49	27,524
FY 34	85,867	79,098	(1,162)	-	-	(9,851)	68,085	8.50	9.97%	0.45	30,349
FY 35	93,884	86,680	(8,616)	-	-	(11,176)	66,888	9.50	9.97%	0.41	27,112
FY 36	1,03,373	95,681	-	-	-	(13,145)	82,536	10.50	9.97%	0.37	30,420
FY 37	1,12,855	1,04,696	(21,305)	-	-	(17,158)	66,233	11.50	9.97%	0.34	22,198
FY 38*	60,810	56,375	(18,974)	-	-	(9,850)	27,551	12.25	9.97%	0.31	8,602
NPV of Explicit Period											**3,48,108**
PV of Working Capital Received											(37)
Enterprise Value											**3,48,070**
(+) Closing cash or cash equivalents as at the Valuation Date											13,847
Adjusted Enterprise Value**											**3,61,918**

Upto 26 September 2037

***Presently, 51% of the issued and paid-up equity share capital of MCP is held by Welspun Enterprises Limited ("WEL") and 49% is held by the Trust. As represented by the Investment Manager, the InvIT currently holds only 49% equity stake of MCP as per the terms of the Concession Agreement. However, the Trust, will be entitled to acquire 100% of the equity share capital of MCP only after a period of one year from the COD of MCP which is as per the terms of the requirements prescribed by the NHAI and as per the Concession Agreement.*

The above mentioned EV and Adjusted EV represents the value EV calculated at 100% equity stake level for MCP and since InvIT is currently holding only 49% equity stake in MCP, the above mentioned values should be adjusted in this context for 49% equity stake level. In this regard, I have calculated EV and Adjusted EV at 100% equity stake level and 49% equity stake level in the below table for MCP:

SPVs	Enterprise Value		Adjusted Enterprise Value	
	at 100% equity stake level	at 49% equity stake level	at 100% equity stake level	at 49% equity stake level
MCP	3,48,070	1,70,554	3,61,918	1,77,340

Appendix 2 – Weighted Average Cost of Capital of the HAM SPVs as on 31st March 2025

Appendix 2.1: Calculation of WACC of HAM SPVs as on 31st March 2025

Particulars	AM-2	CGRG	CTHPL	DME	GSY	Remarks
Risk free rate (Rf)	6.55%	6.55%	6.55%	6.55%	6.55%	Risk Free Rate has been considered based on zero coupon yield curve as at 28th March, 2025 of Government Securities having maturity period of 10 years , as quoted on CCIL's website
Equity Risk Premium (ERP)	7.00%	7.00%	7.00%	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium considered appropriate for India
Beta (Re-levered)	0.57	0.57	0.60	0.59	0.55	Re-levered Beta (Refer **Appendix 2.2** and **Appendix 2.3** for detailed computation)
Cost of Equity	**10.56%**	**10.52%**	10.76%	**10.65%**	**10.43%**	**Adjusted Ke = Rf (ERP)*β**
Company Specific Risk Premium	0.00%	0.00%	0.00%	0.00%	0.00%	Evaluated Based on operational & financial parameters
Revised Cost of Equity (Ke)	**10.56%**	**10.52%**	10.76%	**10.65%**	**10.43%**	**Adjusted Ke = Rf (ERP)*β + CSRP**
Pre-Tax Cost of Debt	8.02%	8.02%	8.02%	8.02%	8.02%	As represented by the Investment Manager
Tax Rate of SPV	20.10%	21.33%	13.87%	17.47%	23.98%	Tax rate applicable to the SPV is considered
Post Tax Cost of Debt (Kd)	**6.41%**	**6.31%**	**6.91%**	**6.62%**	**6.10%**	**Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)**
Debt:Equity (DE) Ratio	70.00%	70.00%	70.00%	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	**7.66%**	**7.57%**	**8.07%**	**7.83%**	**7.40%**	**WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]**

Appendix 2.2: Calculation of Unlevered Beta for HAM SPVs as on 31st March 2025

Particulars	Raw Beta	Debt to Market Capitalisation	Effective Tax Rate	Unlevered Beta
IRB InvIT Fund	0.40	70.64%	25.17%	0.26
PG InvIT	0.14	5.27%	25.17%	0.14
Average				**0.20**

Source: *NSE / Internal Workings / Comparable Companies' Financial Statements*

Where, Unlevered Beta = Levered Beta / [1 + (Debt/Equity) * (1 – t)]

Appendix 2.3: Calculation of Re-levered Beta for HAM SPVs as on 31st March 2025

Particulars	AM-2	CGRG	CTHPL	DME	GSY
Unlevered Beta	0.20	0.20	0.20	0.20	0.20
Debt-Equity Ratio Considered	2.33	2.33	2.33	2.33	2.33
Effective Tax Rate of SPV	20.10%	21.33%	13.87%	17.47%	23.98%
Re-levered Beta	**0.57**	**0.57**	**0.60**	**0.59**	**0.55**

Source: *Bloomberg / NSE / Internal Workings*

Where, Re-levered Beta = Unlevered Beta * [1 + (Debt/Equity) * (1 – t)]

Justification of Companies used for calculation of Beta for SPV:

The following companies are integral players in the Indian infrastructure sector and contributes significantly to the development, operation and maintenance of infrastructure project. Their strong market presence, diversified portfolios and consistent involvement in the key infrastructure projects make them relevant for the computation of beta of HAM SPV in the context of road business valuation.

1. **IRB InvIT Fund**

   The IRB InvIT Fund is a dedicated infrastructure trust that manages toll road assets across India, with a portfolio comprising six operational highway projects. Its focused strategy within the transportation infrastructure sector and operational maturity positions it as a relevant peer in the broader infrastructure trust landscape. Structurally, IRB InvIT shares several characteristics with Nxt-Infra Trust — both are SEBI-registered InvITs with stable, income-generating infrastructure assets and long-term cash flow visibility. These similarities make IRB InvIT a reasonable comparable for evaluating Nxt-Infra Trust, particularly in the context of computing beta for valuation purposes. Moreover, like Nxt-Infra Trust, IRB InvIT is currently operating and generating cash flows from completed assets, thereby offering a realistic proxy for risk return dynamics in the infrastructure domain. Both entities offer annuity-like cash flows, similar investor profiles, and comparable regulatory frameworks. For these reasons, IRB InvIT is considered an appropriate peer for beta estimation in the valuation analysis of Nxt-Infra Trust.

2. **PG InvIT**

   PowerGrid InvIT (PG InvIT) primarily owns and operates high-voltage power transmission lines, which form a critical component of India's electricity infrastructure. The trust earns regulated revenues through long-term, fixed-fee contracts with utilities, offering predictable and stable cash flows over extended periods. Nxt-Infra Trust, while operating in a different sector—Roads Sector—shares key structural and financial characteristics with PG InvIT. Both entities are SEBI-registered InvITs with long term contracted revenues, asset-heavy models, and yield-focused investment propositions. These similarities support the application of standard infrastructure valuation methodologies such as the Discounted Cash Flow (DCF) approach, which emphasizes long-term cash flow generation and yield expectations. From a capital market perspective, both InvITs are designed to deliver long-term returns to investors through consistent distributions, making them suitable peers in a comparative valuation context.

Appendix 3 – Weighted Average Cost of Capital for the Toll SPV as on 31st March 2025

Appendix 3.1: Calculation of WACC of Toll SPV as on 31st March 2025

Particulars	MCP	Remarks
Risk free return (Rf)	6.55%	Risk Free Rate has been considered based on zero coupon yield curve as at 28th March 2025 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.82	Re-levered Beta (Refer **Appendix 3.2** and **Appendix 3.3** for detailed computation)
Cost of Equity (Ke)	**12.32%**	**Base Ke = Rf + (β x ERP)**
Company Specific Risk Premium (CSRP)	1.00%	Based on SPV specific risk(s)
Revised Cost of Equity (Ke)	**13.32%**	**Adjusted Ke = Rf + (β x ERP) + CSRP**
Pre-tax Cost of Debt (Kd)	8.02%	As represented by the Investment Manager
Tax rate of SPV	17.47%	Tax Rate Applicable to the SPV is considered
Post-tax Cost of Debt (Kd)	**6.62%**	**Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)**
Debt/(Debt+Equity)	50.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	**9.97%**	**WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]**

Appendix 3.2: Calculation of Unlevered Beta for Toll SPV as on 31st March 2025

Particulars	Raw Beta	Debt to Market Capitalisation	Effective Tax Rate	Unlevered Beta
IRB InvIT Fund	0.40	70.64%	25.17%	0.26
IRB Infrastructure Developers Limited	1.59	241.83%	25.17%	0.56
Dilip Buildcon Limited	1.20	168.99%	25.17%	0.53
Average				**0.45**

Source: *NSE / Internal Workings / Comparable Companies' Financial Statements*

Where, Unlevered Beta = Levered Beta / [1 + (Debt/Equity) * (1 – t)]

Appendix 3.3: Calculation of Re-levered Beta for Toll SPV as on 31st March 2025

Particulars	MCP
Unlevered Beta	0.45
Debt-Equity Ratio Considered	1.00
Effective Tax Rate of SPV	17.47%
Re-levered Beta	**0.82**

Source: *Bloomberg / NSE / Internal Workings*

Where, Re-levered Beta = Unlevered Beta * [1 + (Debt/Equity) * (1 – t)]

Justification of Companies used for calculation of Beta for SPV:

The following companies are integral players in the Indian infrastructure sector and contributes significantly to the development, operation and maintenance of infrastructure project. Their strong market presence, diversified portfolios and consistent involvement in the key infrastructure projects make them relevant for the computation of beta of Toll SPV in the context of road business valuation.

1. **IRB InvIT Fund**

   The IRB InvIT Fund is a dedicated infrastructure trust that manages toll road assets across India, with a portfolio comprising six operational highway projects. Its focused strategy within the transportation infrastructure sector and operational maturity positions it as a relevant peer in the broader infrastructure trust landscape. Structurally, IRB InvIT shares several characteristics with Nxt-Infra Trust — both are SEBI-registered InvITs with stable, income-generating infrastructure assets and long-term cash flow visibility. These similarities make IRB InvIT a reasonable comparable for evaluating Nxt-Infra Trust, particularly in the context of computing beta for valuation purposes. Moreover, like Nxt-Infra Trust, IRB InvIT is currently operating and generating cash flows from completed assets, thereby offering a realistic proxy for risk return dynamics in the infrastructure domain. Both entities offer annuity-like cash flows, similar investor profiles, and comparable regulatory frameworks. For these reasons, IRB InvIT is considered an appropriate peer for beta estimation in the valuation analysis of Nxt-Infra Trust.

2. **IRB Infrastructure Developers Limited**

   IRB Infrastructure Developers Limited is India's leading and the largest integrated and first multi-national transport infrastructure developer in roads and highways sector, with major presence in the BOT (Build Operate Transfer) space. Thus, we find it appropriate to consider IRB Infrastructure Developers Limited as a comparable company for Toll.

3. **Dilip Buildcon Limited**

   Dilip Buildcon Limited (DBL) is a large road construction company with capabilities in Roads & Highways, Metro, Irrigation, Special Bridges, Urban developments, etc with presence in 19 states and 1 union territory in India. DBL's business comprises of (a) Construction business, under which DBL undertake road, airport, metro rail viaduct and mining excavation projects on an EPC basis; (b) Infrastructure, maintenance and operations business, under which DBL undertake maintenance and operation of BOT road projects, DBL maintains roads and highways and conduct toll operations of BOT projects. Thus, we find it appropriate to consider DBL as a comparable company for Toll.

Appendix 4: Summary of Operating Expenses of HAM SPVs

INR Lakhs

AM-2	Electricity Expense	Manpower Cost	Other O&M Cost	Labour Cess	CSR Expense	Total
10-May-25	-	151	424	-	42	**617**
10-Nov-25	-	151	424	-	42	**617**
10-May-26	-	158	432	-	64	**655**
10-Nov-26	-	158	432	-	64	**655**
10-May-27	-	166	454	-	63	**683**
10-Nov-27	-	166	454	-	63	**683**
10-May-28	-	175	476	-	58	**709**
10-Nov-28	-	175	476	-	58	**709**
10-May-29	-	183	500	-	53	**736**
10-Nov-29	-	183	500	-	53	**736**
10-May-30	-	193	543	-	52	**787**
10-Nov-30	-	193	543	-	52	**787**
10-May-31	-	200	561	-	49	**810**
10-Nov-31	-	67	187	-	25	**278**

INR Lakhs

CGRG	Electricity Expense	Manpower Cost	Other O&M Cost	Labour Cess	CSR Expense	Total
05-Aug-25	68	49	466	8	-	**591**
01-Feb-26	68	49	484	8	-	**609**
05-Aug-26	72	51	473	9	-	**604**
01-Feb-27	72	51	473	9	-	**604**
05-Aug-27	75	54	496	9	-	**634**
01-Feb-28	75	54	496	9	-	**634**
05-Aug-28	79	56	521	9	-	**666**
01-Feb-29	79	56	521	9	-	**666**
05-Aug-29	83	59	547	10	-	**699**
01-Feb-30	83	59	547	10	-	**699**
05-Aug-30	87	62	628	10	-	**788**
01-Feb-31	87	62	628	10	-	**788**
05-Aug-31	92	65	603	11	4	**775**
01-Feb-32	92	65	603	11	4	**775**
05-Aug-32	96	68	633	11	9	**819**
01-Feb-33	96	68	633	11	9	**819**
05-Aug-33	101	72	665	12	14	**864**
01-Feb-34	101	72	665	12	14	**864**
05-Aug-34	106	75	718	13	12	**924**
01-Feb-35	106	75	718	13	12	**924**

INR Lakhs

CTHPL	Electricity Expense	Manpower Cost	Other O&M Cost	Labour Cess	CSR Expense	Total
25-Aug-25	184	49	509	3	-	**745**
25-Feb-26	184	49	509	3	-	**745**
25-Aug-26	193	51	534	3	-	**782**
25-Feb-27	193	51	534	3	-	**782**
25-Aug-27	203	54	568	4	-	**828**
25-Feb-28	203	54	568	4	-	**828**
25-Aug-28	213	57	589	4	-	**862**
25-Feb-29	213	57	589	4	-	**862**
25-Aug-29	223	59	642	4	-	**929**
25-Feb-30	223	59	642	4	-	**929**
25-Aug-30	235	62	655	4	-	**956**
25-Feb-31	235	62	655	4	-	**956**
25-Aug-31	246	65	690	4	-	**1,006**
25-Feb-32	246	65	690	4	-	**1,006**
25-Aug-32	259	69	716	4	-	**1,048**
25-Feb-33	259	69	716	4	-	**1,048**
25-Aug-33	272	72	761	5	5	**1,115**
25-Feb-34	272	72	761	5	5	**1,115**
25-Aug-34	285	76	789	5	2	**1,158**
25-Feb-35	285	76	789	5	2	**1,158**
25-Aug-35	299	80	846	5	0	**1,230**
25-Feb-36	299	80	846	5	0	**1,230**
25-Aug-36	253	67	723	5	0	**1,049**
05-Aug-35	77	55	550	13	11	**706**

INR Lakhs

DME	Electricity Expense	Manpower Cost	Other O&M Cost	Labour Cess	CSR Expense	Total
25-Jun-25	99	77	404	3	4	**587**
25-Dec-25	99	77	404	3	4	**587**
25-Jun-26	104	81	429	3	4	**622**
25-Dec-26	104	81	429	3	4	**622**
25-Jun-27	110	85	444	3	2	**644**
25-Dec-27	110	85	444	3	2	**644**
25-Jun-28	115	89	466	4	0	**674**
25-Dec-28	115	89	466	4	0	**674**
25-Jun-29	121	94	489	4	0	**708**
25-Dec-29	121	94	489	4	0	**708**
25-Jun-30	127	98	515	4	-	**744**
25-Dec-30	127	98	515	4	-	**744**
25-Jun-31	133	103	566	4	0	**806**
25-Dec-31	133	103	566	4	0	**806**
25-Jun-32	140	109	566	4	1	**820**
25-Dec-32	140	109	566	4	1	**820**
25-Jun-33	72	56	328	5	1	**461**

INR Lakhs

GSY	Electricity Expense	Manpower Cost	Other O&M Cost	Labour Cess	CSR Expense	Total
01-May-25	41	43	396	-	1	**482**
01-Nov-25	41	43	396	-	1	**482**
01-May-26	43	45	419	-	3	**511**
01-Nov-26	43	45	419	-	3	**511**
01-May-27	46	48	433	-	5	**531**
01-Nov-27	46	48	433	-	5	**531**
01-May-28	48	50	455	-	6	**559**
01-Nov-28	48	50	455	-	6	**559**
01-May-29	50	53	485	-	6	**594**
01-Nov-29	50	53	485	-	6	**594**
01-May-30	53	55	505	-	6	**619**
01-Nov-30	53	55	505	-	6	**619**
01-May-31	56	58	552	-	9	**675**
01-Nov-31	56	58	552	-	9	**675**
01-May-32	58	61	553	-	12	**684**
01-Nov-32	58	61	553	-	12	**684**
01-May-33	61	64	580	-	15	**720**
01-Nov-33	61	64	580	-	15	**720**
01-May-34	64	67	619	-	13	**763**
01-Nov-34	64	67	619	-	13	**763**
01-May-35	67	71	670	-	12	**821**
01-Nov-35	11	12	112	-	6	**141**

Appendix 5: Summary of Revenue, Expenses and EBITDA of Toll SPV

INR Lakhs

MCP	Toll Revenue	Toll Collection and Patrolling Expense	Routine Maintenance	CSR Expense	EBITDA
	A	B	C	D	E=A-B-C-D
FY 26	41,068	1,028	2,981	34	37,025
FY 27	45,463	1,080	3,108	29	41,247
FY 28	50,142	1,134	3,264	71	45,674
FY 29	55,713	1,190	3,427	136	50,961
FY 30	60,773	1,250	3,598	261	55,664
FY 31	66,303	1,312	3,895	380	60,716
FY 32	71,929	1,378	3,967	536	66,048
FY 33	78,340	1,447	4,165	705	72,022
FY 34	85,867	1,519	4,374	876	79,098
FY 35	93,884	1,595	4,592	1,016	86,680
FY 36	1,03,373	1,675	4,856	1,161	95,681
FY 37	1,12,855	1,758	5,063	1,337	1,04,696
FY 38	60,810	905	2,720	810	56,375

Appendix 6.1 – AM-2: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Labour License No. 1952700110028171	Govt. of Maharasthra, Licensing dept.	23-02-2021	28-02-2022
2	BOCW Certificate No. 1952702310006606	Govt of Maharashtra	01-03-2019	28-02-2020
3	Labour License No. 1952700110028171	Govt. of Maharasthra, Licensing dept.	03-06-2019	29-02-2020
4	Forest Department clearence Paratwada - Ghatang	Govt of Maharashtra, Forest Dept	05-03-2021	Lifetime
5	Forest Department clearence Paratwada - Ghatang	Govt of Maharashtra, Forest Dept	05-03-2021	Lifetime
6	Forest Department clearence Paratwada - Ghatang	Govt of Maharashtra, Forest Dept	19-10-2020	Lifetime
7	Forest Department clearence Paratwada - Ghatang	Govt of Maharashtra, Forest Dept	19-10-2020	Lifetime
8	Forest Department clearence Paratwada - Ghatang	Govt of Maharashtra, Forest Dept	19-10-2020	Lifetime
9	Letter of Appointment	Public Wroks department	28-05-2019	
10	Provisional certificates	G-Eng Advisory Services, JV Global Infra Solutions, AICONS Engineering Pvt Ltd, JV Real Strength Infrastructure, M.S.Consultant JV Krishna Techno Consult	11-11-2021	Lifetime
11	Completion certificate	G-Eng Advisory Services, JV Global Infra Solutions, AICONS Engineering Pvt Ltd, JV Real Strength Infrastructure, M.S.Consultant JV Krishna Techno Consult	29-07-2022	Lifetime

Source: Investment Manager

Appendix 6.2 – CGRG: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of issue	Validity/ Current status
1	Forest Department clearence HRB023/2015-CHA	Ministry of Environment, Forest and Climate Change	28-05-2015	Lifetime
2	Letter of Appointment NHAI/PIU-DDN/MBL(CGRG)/14629	NHAI	06-03-2018	Lifetime
3	Forest Department clearence 8B/USP/06/288/2015/1090	Ministry of Environment, Forest and Climate Change		26-09-2023
4	Certificate of registration of labour license	Ministry of Labour and Employment	15-03-2018	14-03-2019
5	Renewal of certificate of registration dated Feb 19, 2019	Ministry of Labour and Employment		14-03-2020

Source: Investment Manager

Appendix 6.3 – CTHPL: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Registration Certificate No. BOCW/ALCNAGPUR/2019/R-10	Ministry of Labour	11-02-2020	18-02-2021
2	Water Clearance	Government of Maharashtra	21-02-2019	Lifetime
3	Forest Clearance	Forest Officer, Jalgaon	28-08-2018	Lifetime
4	Provisional Certificate	Independent Engineer	01-09-2021	Lifetime
5	Completion Certificate	Independent Engineer	22-12-2022	Lifetime

Source: Investment Manager

Appendix 6.4 – DME: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Part permission for felling/transplant of 1000 trees	DEPARTMENT OF FOREST AND WILD LIFE	24-11-2016	Lifetime
2	Part permission for felling/transplant of 1000 trees	DEPARTMENT OF FOREST AND WILD LIFE	29-11-2016	Lifetime
3	Certification of registration	Labour and Employment Department	10-02-2017	Lifetime
4	Completion Certificate	Independent Engineer	29-10-2018	Lifetime
5	Labour License AU-1/46/2/2017-R	Office of the Licensing Officer	30-08-2023	29-08-2024
6	IWAI/PR/NW-1/Nav.Clearance/2014-15 Vol II	Inland Waterways Authorit of India	24-11-2016	Lifetime
7	CLRA/ALCNEWDLEHI1/2019/101	Labour and Employment Department	03-08-2022	29-07-2023
8	LEI Code	Legal Entity Identifier of India		17-08-2024
9	NHAI/PIU/GZB/DME -1/12027/GEN/2017	National Highways Authority of India	06-03-2017	Lifetime
10	NHAI/PIU/GZB/DME -1/12021/CONC/2017	National Highways Authority of India	08-01-2018	Lifetime
11	Provisional Completion Certificate	Independent Engineer	28-06-2018	Lifetime

Source: Investment Manager

Appendix 6.5 – GSY: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Forest Clearance HRBO23/2015- CHA	Ministry of Environment, Forest and Climate Change	28-05-2015	Lifetime
2	Water Clearance 57772/UPPCB/Saharanpur(UPPCBRO)/CTO/wat	U.P. Pollution Control Board	21-05-2019	Lifetime
3	Registration Certificate F.No. D-57 (17)/2018/ALC	Ministry of Labour and Employment	28-02-2018	Lifetime
4	LEI Code	Legal Entity Identifier of India		15-05-2024
5	Confirmation of transfer of 100% shareholding	National Highways Authority of India	31-10-2022	Lifetime
6	Glg/crusher/Y.nagar/L-15	Deparment of Mines and Geology	22-11-2017	Lifetime
7	Permission for storage of diesel at camp	Collector and District Magistrate	27-04-2018	Lifetime
8	Forest Clearance	Ministry of Enviroment, Forest and Clearance	06-04-2018	Lifetime
9	Water Clearance 57772/UPPCB/Saharanpur(UPPCBRO)/CTO/wat	U.P. Pollution Control Board	11-05-2019	31-07-2020
10	Completion Certificate	Idependent Engineer	10-02-2020	Lifetime

Source: Investment Manager

Appendix 6.6 – MCP: Summary of approvals and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Provisional Certificate - I	Independent Engineer	31-03-2022	Lifetime
2	Provisional Certificate - II	Independent Engineer	25-04-2023	Lifetime
3	Labour License - Haryana Section	Office of the Licensing Officer	21-09-2023	20-09-2024
4	Labour License - Delhi Section	Office of the Licensing Officer	21-09-2023	20-09-2024
5	Principal Employers License	National Highways Authority of India	18-06-2020	Lifetime
6	DG Certificate - I	Executive Engineer	20-05-2021	Lifetime
7	DG Certificate - II	Executive Engineer	06-08-2021	Lifetime
8	Forest Clearance	Office of the Deputy Conservator of Forest	23-10-2017	Lifetime

Source: Investment Manager

Appendix 7 –Summary of Ongoing Litigations

AM2

Sr. No.	Entity	Nature of the Matter	Pending Before	Financial Claim / Impact (INR Crs)	Brief summary of the facts of the matter	Current Status
1	AM-2	Department of Public Works	NA	0.11	RIPL has received a letter from the Executive Engineer, Department of Public Works, Government of Maharashtra dated 25 January 2022 in connection with the royalty penalty imposed by Revenue Department in Pckg-91A claiming a sum of INR 10,89,600 (Indian Rupees Ten Lakhs Eighty Nine Thousand and Six Hundred). RIPL vide its letter dated 7 February 2022 has informed the NHAI that the subcontractor, M/s Ajaydeep Infracon Pvt. Ltd. has filed a writ petition before High Court, Nagpur Bench against orders passed by Tehsildar and as such the matter is subjudice. RIPL has requested NHAI to await the decision of High Court, Nagpur Bench in this regard. There is no further correspondence issued by the Authority in this regard. No payment has been withheld by the Authority till date on this account.	No Change
2	AM-2	Indirect Taxation	Additional Director Mahesh Kumar DGGI, Mumbai	12.00	Penalty for non payment of tax within prescribed time	Demand reduced to NIL Penalty of Rs 12 Cr along with interest has been raised Appeal filed before Commissioner Appeal on 14.1.2025
3	AM-2	Indirect Taxation	Superintendent Group 15 - Circle V	0.88	Notice for Conducting Audit for FY 2017-18 to FY 2022-23	Relevant submission made. DRC 01A recd on 25.4.2025. Personal Hearing to be held on 10.5.2025

CGRG

Sr. No.	Entity	Nature of the Matter	Pending Before	Financial Claim / Impact (INR Crs)	Brief summary of the facts of the matter	Current Status
1	CGRG	Indirect Taxation	Deputy Commissioner (Anti Evasion) Central Goods & Services Tax Commissionerate – Dehradun	66.00	Difference in turnover between GSTR-3B and TDS return uploaded by NHAI for Financial Year 2019-2020 to Financial Year 2021-2022	Reply given closure Letter awaited
2	CGRG	Indirect Taxation	Superintendent CGST Range II Roorkee	16.81	Difference in GST Liability declared in GSTR-1 and GSTR-3B for FY 2020-21 to FY 2023-24	Submission made before AO. Reply awaited from AO. No demand raised only Enquiry
3	CGRG	Indirect Taxation	CGST Range Sarsawa	20.48	Excess Availement of ITC regar	Reply submitted. No Demand raised, enquiry only

CTHPL

Sr. No.	Entity	Nature of the Matter	Pending Before	Financial Claim / Impact (INR Crs)	Brief summary of the facts of the matter	Current Status
1	CTHPL	Indirect Taxation	Mr. B.R Nirapure (Superintendent) Bhusawal range	11.44	Mismatch in GSTR 1 and GSTR 3B Turnover for FY 2022-23	Reply submitted. No Demand raised, enquiry only

DME

Sr. No.	Entity	Nature of the Matter	Pending Before	Financial Claim / Impact (INR Crs)	Brief summary of the facts of the matter	Current Status
1	DME	Indirect Taxation	Sales Tax Officer Class II / AVATO Ward 94:Zone 8:Delhi	17.07	Reversal of Proportionate ITC for exempt supply	Assesment Order issued. Appeal Filed

MCP

Sr. No.	Entity	Nature of the Matter	Pending Before	Financial Claim / Impact (INR Crs)	Brief summary of the facts of the matter	Current Status
1	MCP	Statutory or Regulatory	NA	0.20	A show cause notice bearing reference no. HSPCB/KAR/2021/5185 dated 26 November 2021 was issued by Haryana State Pollution Control Board to NHAI for action under Section 31-A of Air (Prevention and Control of Pollution) Act, 1981 and violation of direction issued by Central Pollution Control Board under Section 5 of Environmental (Protection) Act, 1986 due to non-implementation of proper dust control measures which was then referred to WIPL by NHAI vide notice bearing reference no. NHAI/PIUSNP/CPCB/ 2021/D-6566 dated 29 November 2021. Authority, relying on letter from Haryana State Pollution Control Board, vide letter dated 24 December 2021 informed the Concessionaire to deposit Environmental Compensation of Rs 20,00,000/- for violation of Graded Response Action Plan. The Concessionaire vide letter dated 27 December 2021 notified the Authority about the measures taken for control of dust emission. Authority vide letter dated 06 January 2022 informed that the compliance submitted by the Concessionaire is not satisfactory, requested for proper justification and directed to deposit Environmental Compensation of Rs 20,00,000/-. The Concessionaire again vide letter dated 11 January 2022 submitted detailed justification and requested Authority to relieve the Concessionaire from Environmental Compensation of Rs 20,00,000/ since the Concessionaire has complied as per the notice. A show cause notice bearing reference no. HSPCB/KAR/2021/5185 dated 26 November 2021 was issued by Haryana State Pollution Control Board to NHAI for action under Section 31-A of Air (Prevention and Control of Pollution) Act, 1981 and violation of direction issued by Central Pollution Control Board under Section 5 of Environmental (Protection) Act, 1986 due to non-implementation of proper dust control measures which was then referred to WIPL by NHAI vide notice bearing reference no. NHAI/PIUSNP/CPCB/ 2021/D-6566 dated 29 November 2021. Authority, relying on letter from Haryana State Pollution Control Board, vide letter dated 24 December 2021 informed the Concessionaire to deposit Environmental Compensation of Rs 20,00,000/- for violation of Graded Response Action Plan. The Concessionaire vide letter dated 27 December 2021 notified the Authority about the measures taken for control of dust emission. Authority vide letter dated 06 January 2022 informed that the compliance submitted by the Concessionaire is not satisfactory, requested for proper justification and directed to deposit Environmental Compensation of Rs 20,00,000/-. The Concessionaire again vide letter dated 11 January 2022 submitted detailed justification and requested Authority to relieve the Concessionaire from Environmental Compensation of Rs 20,00,000/ since the Concessionaire has complied as per the notice.	No Change
2	MCP	Statutory or Regulatory	NA	0.20	Show cause notice bearing reference no. HSPCB/KAR/2021/5969 dated 10 December 2021 was issued by Haryana State Pollution Control Board to NHAI for environmental compensation of INR 20,00,000 (Indian Rupees Twenty Lakhs) due to C&D waste and garbage dumping on both sides of the highway which was then referred to WIPL by NHAI vide notice bearing reference no. NHAI/PIUSNP/NH-44/M-61/2021/D-7064 dated 24 December 2021 as WIPL is bound to indemnify NHAI as per Article 42.1.1 of the Concession Agreement for WIPL. WIPL issued a letter to its sub-contractor, New India Structure Private Limited intimating about the show cause notices and requesting it to indemnify in terms of clause 8.6.2 (a) of the contract agreement dated 4 June 2020. WIPL responded to NHAI vide its letter bearing reference nos. WIPL/NHAI/Site/2022/1261, WIPL/NHAI/Site/2022/1295 dated 27 December 2021 and 11 January 2022 that WIPL has taken curative measures in accordance with Graded Response Action Plan issued by Central Pollution Control Board and thereby requested waiver of the environmental compensation of INR 20,00,000 (Indian Rupees Twenty Lakhs) levied by NHAI.	No Change

3	MCP	Statutory or Regulatory	NA	0.10	HSPCB issued a show cause notice to WIPL dated 15 November, 2022 informing that the air quality index is of poor quality due to appropriate measures not being undertaken by WIPL and asked WIPL to deposit an amount of INR 10,00,000 (Indian Rupees Ten Lakhs) as environmental compensation by way of demand draft in favour of HSPCB. WIPL vide its letter dated 12 December 2022 replied that appropriate measures are being implemented by WIPL to curb the pollution and requested NHAI to pursue HSPCB to relieve the environmental compensation of INR 10,00,000 (Indian Rupees Ten Lakhs) imposed on WIPL and NHAI vide letter dated 19 December 2022 requested HSPCB to revoke the show cause notice and withdraw the penalty of INR 10,00,000 (Indian Rupees Ten Lakhs) imposed on WIPL. Subsequently the Concessionaire has deposited an amount of INR 10,00,000 (Indian Rupees Ten Lakhs) vide letter 2037 dated 10.03.2023 against the imposition of penalty by HSPCB vide notice dated 15.11.2022.	No Change
4	MCP	Arbitration	Delhi High Court, New Delhi	4.10	Prior to taking over of Mukarba project on 06.08.2020, Pan India Infra Projects Pvt. Ltd ('PIPL') was main EPC Contractor of Mukarba Chowk – Panipat Toll Roads Ltd. Vidya Projects Pvt Ltd ('Vidya') was a sub-contractor to PIPL. As per Vidya, the outstanding amount of Rs 6,10,00,000/- is from PIPL. Upon instruction from Essel Group, the part payment of Rs. 1,96,00,000/- was made to Vidya. Vidya demanded unpaid dues of Rs. 4,10,00,000/- of PIPL/MCPTRL from WIFPL. Vidya invoked arbitration on 25.11.2021 as per the Substitution and Amendment Agreement dated 25.06.2020 executed between Essel, PIPL, MCPTRL and Vidya. Vidya has filed Section.11 petition for appointment of arbitrator before Hon'ble Delhi High Court.	WIFPL filed the reply on 22.03.2022. Vidya filed the Rejoinder on 10.05.2022. On 26.05.2023, WIFPL submitted additional affidavit, stating that the agreement is not stamped. The last hearing was on 04.01.24. The present petition is disposed of as withdrawn, with a liberty to the petitioner to take recourse to civil remedies as available under law..
5	MCP	Commercil Suit for recovery before the Hon'ble Delhi High Court	Delhi High Court, New Delhi	INR 4,10,00,000 with pedente-lite and future interest @12% pa	On 04.01.2024, the arbitration petition of Vidya Project was disposed of as withdrawn by Vidya. On the said date, the Court has granted liberty to Vidya to pursue other civil remedies available to it under law. Accordingly, Vidya first filed a pre-litigation mediation before teh Mediation Centre of the Delhi High Court as prescribed under the Commercial Court Act, 2015. The said mediation failed and therefore, Vidya has filed a commercial suit for recovery for its allegedly unpaid dues of Rs. 4,10,00,000 with pedente-lite and future interest at 12% pa	Vidya has also filed an application seeking condonation of delay in filing its recovery suit. We have filed a reply to this application objecting to condonation of this delay. We have filed our Application for Leave to Defend. The matter is next listed for hearing on 31.07.2025

Appendix 8 – Brief details about the Valuer

Professional Experience

- Mr. S. Sundararaman is a fellow member from 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 30 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.
- His areas of specialization include valuation for various Infrastructure Companies including valuation for Investment Infrastructure Trusts (InvITs).

Professional Qualifications & Certifications

- FCA
- Grad CWA
- Certificate Courses on Valuation
- Certificate Course on IFRS
- Information Systems Audit (DISA of ICAI)
- Insolvency Professional
- IBBI Registered Valuer

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Registation Details
IBBI Registration No - IBBI/RV/06/2018/10238