

November 7, 2023

To

Corporate Relations Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 541300	The Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Trading Symbol: INDINFR
--	--

Dear Sir/Madam,

Sub: Report for the half year ended September 30, 2023

Pursuant to the Regulation 23 of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended, please find attached the report of IndInfraVIT Trust for the half year ended September 30, 2023.

Please take note of the same.

Thanking you.

Yours Sincerely,

For IndInfraVIT Trust

By Order of the Board

Interise Investment Managers Limited

(Formerly known as LTIDPL IndvIT Services Limited)

(as the Investment Manager of IndInfraVIT Trust)

REKHA
BALASUBRAMANIAN
NIAN
NALLEPPILY
Digitally signed by
REKHA
BALASUBRAMANIAN
NALLEPPILY
Date: 2023.11.07
19:23:03 +05'30'

Rekha NB

Company Secretary and Compliance Officer



Half Yearly Report

Report for the half year ended September 30, 2023

We, Interise Investment Managers Limited (Formerly known as LTIDPL IndvIT Services Limited), Investment Manager (“IM”) of IndInfravit Trust (“Trust”) hereby submit the half yearly report for the period from April 1, 2023 to September 30, 2023 of the Trust together with the financial information for the half year ended September 30, 2023.

1. Investment Manager's brief report of activities of the InvIT and summary of the audited consolidated financial statements for the half year:

IndInfravit Trust is an Infrastructure Investment Trust which was registered with SEBI on March 15, 2018 under the SEBI (Infrastructure Investment Trusts) Regulations (referred as “InvIT Regulations”) 2014 having registration number IN/InvIT/17-18/0007, with the objective to carry on the activities of and to make investments, as an infrastructure investment trust, as permissible in terms of the applicable law by acquiring or investing in the Eligible Assets.

The Trust owns, operates and maintains a portfolio of one Holdco and seventeen toll road assets in the Indian states of Tamil Nadu, Karnataka, Maharashtra Telangana, Madhya Pradesh, Rajasthan, Andhra Pradesh and Bihar.

These toll roads are operated and maintained pursuant to the concessions granted by the NHAI / State authorities. For more details on toll road projects, please refer the section overview of asset portfolio.

The summary of the Standalone and Consolidated Financial Information of the Trust – The details are attached herewith as “**Annexure A**”

2. Brief details of all the assets of the InvIT, project-wise

The assets of the InvIT are as under:

1. Krishnagiri Thopur Toll Road Private Limited (KTTRPL)
2. Western Andhra Tollways Private Limited (WATPL)
3. Krishnagiri Walajahpet Tollway Private Limited (KWTPL)
4. Devihalli Hassan Tollway Private Limited (DHTPL)
5. Beawar Pali Pindwara Tollway Private Limited (BPPTPL)
6. Aurangabad-Jalna Toll Way Private Limited (AJTPL)
7. Bijapur-Hungund Tollway Private Limited (BHTPL)
8. Bhilwara-Rajsamand Tollway Private Limited (BRTPL)
9. Dhule Palesner Tollway Private Limited (DPTPL)
10. Hyderabad-Yadgiri Tollway Private Limited (HYTPL)
11. Mysore-Bellary Highway Private Limited (MBHPL)
12. Shreenathji-Udaipur Tollway Private Limited (SUTPL)
13. Nagpur-Seoni Express Way Private Limited (NSEWPL)
14. Simhapuri Expressway Limited (SEL)
15. Rayalseema Expressway Private Limited (REPL)
16. Mumbai - Nashik Expressway Private Limited (MNEPL)
17. Kosi Bridge Infrastructure Company Private Limited (KBICL)

The details are attached herewith as “**Annexure B**”

3. Details of revenue during the half year, project-wise from the underlying projects

The details are attached herewith as “**Annexure C**”

4. **Brief summary of the valuation as per full valuation report as at the end of the half year:** Not applicable
5. **Any information or report pertaining to the specific sector or sub-sector that may be relevant for an investor to invest in units of the InvIT:** Nil

6. **Details of changes during the half year pertaining to:**

- a. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions:

During the half year the IndInfravit Trust (“**Trust**”) has duly completed the acquisition of the issued and paid up equity shareholding of (i) Simhapuri Expressway Limited, (ii) Rayalseema Expressway Private Limited, (iii) Mumbai - Nasik Expressway Private Limited, and (iv) Kosi Bridge Infrastructure Company Private Limited (collectively, the “**SPVs**”) on June 15, 2023.

The SPVs have each individually entered into a ‘Project Implementation and Management Agreement’ with the Trust, Interise Investment Managers Limited (Formerly known as LTIDPL IndvIT Services Limited), the Investment Manager (“**IM**”) of the Trust and Interise Project Management Private Limited (Formerly known as IndInfravit Project Managers Private Limited and Sadbhav Pima Private Limited) (the “**Project Manager**”), which will come into effect on June 15, 2023 i.e. the date of completion of the acquisition of the SPVs.

Brief detail of valuation for such transaction is attached as Annexure – C1

- b. Valuation of assets and NAV (as per the full valuation reports): **Not applicable**

- c. Borrowings or repayment of borrowings (standalone and consolidated):

The details are attached herewith as “**Annexure D**”

- d. Credit rating

Details of credit rating is attached herewith as “**Annexure E**”

- e. Sponsor, Investment Manager, Trustee, Valuer, Directors of the Trustee or Investment Manager or Sponsor, etc.

There is no change in the Sponsor, Investment Manager and Trustee.

Details of the Valuer.

During the period under review, the Investment Manager and Unitholders of the Trust has approved the appointment of M/s. RBSA Advisors LLP (“Registered Valuer”), bearing IBBI registration number IBBI/RV-E/05/2019/110 as the valuers of IndInfravit Trust and all its Project Special Purpose Vehicles (SPVs) for the financial year 2023-2024.

Details of the Valuer are as follows:

M/s. RBSA Advisors LLP
Registered Valuer
IBBI registration number IBBI/RV-E/05/2019/110
1121, Building No. 11, 2nd Floor,
Solitaire Corporate Park, Chakala,
Andheri Kurla Road, Andheri (E),
Mumbai - 400 093
Tel: +91 22 6130 6000

Details of the Sponsor:

L&T Infrastructure Development Projects Limited (“L&T IDPL”) is the Sponsor of IndInfravit Trust. The Sponsor was incorporated in India under the Companies Act, 1956 with corporate identity number U65993TN2001PLC046691. The Sponsor was originally incorporated on February 26, 2001 at Chennai.

The Sponsor’s registered office and corporate office is situated at Mount Poonamallee Road, Post Box Number 979, Manapakkam, Chennai 600 089. For further details, please go to the website www.Intidpl.com.

The Sponsor is a subsidiary of Larsen & Toubro Limited, an Indian multinational company, engaged in technology, engineering, construction, manufacturing and financial services, with global operations.

The Sponsor has acquired concessions through a competitive bidding process, for the development of roads, bridges, ports, power transmission, industrial water supply infrastructure and real estate. The Sponsor has a large project portfolio in the roads and transmission sector in India, which is operated through its special purpose vehicles. In addition to the roads and transmission infrastructure sector, the Sponsor had developed the Bangalore International Airport and the Hyderabad Metro Rail project. The existing portfolio of Sponsor’s road and transmission projects includes a total of 9 projects as of September 30, 2023. The Concession period of Vadodara Bharuch Tollway Limited concluded and the project was handed over to NHAI at midnight of March 17, 2022.

Directors of the Sponsor

As on September 30, 2023, the following are the Directors of L&T IDPL

1. Mr. R. Shankar Raman
2. Mr. Dip Kishore Sen
3. Mr. Sudhakar Rao
4. Ms. Vijayalakshmi Rajaram Iyer
5. Mr. Pushkar Vijay Kulkarni
6. Prof. Amirthalingam Veeraragavan

Details of the Investment Manager

Interise Investment Managers Limited (Formerly known as LTIDPL IndvIT Services Limited) (IIML) is the Investment Manager (“IM”) for IndInfravit Trust. The IM was incorporated in India under the Companies Act, 1956, with corporate identity number U45203TN1999PLC042518. The Investment Manager was originally incorporated as L&T Western India Tollbridge Limited on May 20, 1999 at Chennai. Subsequently, the name of the IM was changed to LTIDPL IndvIT Services Limited and a fresh certificate of incorporation was issued on September 15, 2017. Further, the name of IM is changed to Interise Investment Managers Limited and a fresh certificate of incorporation was issued on October 30, 2023. The Investment Manager’s registered office and its correspondence address is 5th Floor, SKCL - Tech Square, Lazer St, South Phase, SIDCO Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India.

IIML is presently carrying on the business of acting as the Investment Manager to IndInfravit Trust.

Directors of Investment Manager

As on September 30, 2023, the following are the Directors of IIML:

1. Mr. Pushkar Kulkarni

2. Ms. Anjali Gupta
3. Ms. Delphine Voeltzel
4. Mr. P. S Kapoor
5. Dr. Ashwin Mahalingam
6. Ms. Monisha Macedo
7. Ms. Samyuktha Surendran
8. Ms. Neera Saggi
9. Mr. Sanjay Ganesh Ubale
10. Mr. Ravindran Shunmugakani

Mr. Mohan Raj Nair, ceased to be a Director from June 27, 2023.

Mr. Ravindran Shunmugakani, Director from June 27, 2023.

Dr. Ashwin Mahalingam, Ms. Monisha Macedo, Ms. Samyuktha Surendran, Ms. Neera Saggi, Mr. Sanjay Ganesh Ubale and Mr. Ravindran Shunmugakani are the Independent Directors of the Company.

Details of the Trustee

IDBI Trusteeship Services Limited is the Trustee of IndInfravit Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debt Securities) Regulations, 1993, as a Debenture Trustee having registration number IND000000460 and such registration is valid until suspended or cancelled by SEBI.

The Trustee was incorporated in India under the Companies Act, 1956 with corporate identity number U65991MH2001GOI131154. The Trustee was originally incorporated on March 8, 2001 at Maharashtra. The Trustee's registered office and principal place of business is situated at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. The Trustee is jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation for providing corporate and other trusteeship services.

Directors of the Trustee

The list of directors of IDBI Trusteeship Services Limited as on September 30, 2023 are:

1. Mr. Jayakumar S. Pillai
2. Mr. Pradeep Kumar Malhotra
3. Mr. Pradeep Kumar Jain
4. Ms. Jayashree Ranade
5. Ms. Baljinder Kaur Mandal

Mr. Jayakumar S. Pillai, appointed as an additional Director from July 18, 2023.

J. Samuel Joseph ceased to be a Director from April 18, 2023.

- f. Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of InvIT:

There have been no changes in the trust deed or any other agreement during the half year ended September 30, 2023.

- g. Any regulatory changes that has impacted or may impact cash flows of the underlying projects: Nil

- h. Change in material contracts or any new risk in performance of any contract pertaining to the InvIT: In the case of DPTPL, AJTPL, MBHPL, NSEPL, HYTPL, BHTPL, SUTPL and BRTPL have been directly making payments to the relevant sub-contractors appointed by the Routine Maintenance contractor (viz. SIPL), at the risk and cost of the Routine Maintenance

contractor (viz. SIPL), based on the request of such sub-contractors. Further, in the case of AJTPL, NSEPL, DPTPL, HYTPL, MBHPL, BHTPL, SUTPL and BRTPL, due to, inter alia, deficiencies in service by their appointed Major Maintenance contractor (viz. SIPL), such SPVs have engaged other contractors for undertaking the current major maintenance cycle-related works.

i. Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT: Nil

j. Any other material change during the half year: Nil

7. Revenue of the InvIT for the last 5 years, project-wise:

The details are attached herewith as “**Annexure F**”.

8. Update on development of under-construction projects, if any: **NA**

9. Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at the end of the half year: The details are attached herewith as “**Annexure G.**”

10. The total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the half year:

The details are attached herewith as “**Annexure H**”

11. Past performance of the InvIT with respect to unit price, distributions made and yield for the last 5 years, as applicable:

Unit Price Performance –

BSE

Financial Year	Highest	Lowest	Closing Price as on March 31
2018-19	108.90	99.15	108.90
2019-20	116.75	108.90	116.75
2020-21	116.75	116.75	116.75
2021-22	124.65	116.75	124.65
2022-23	135.10	124.65	135.10

Closing price as on September 30, 2023 – 135.10

NSE:

Financial Year	Highest	Lowest	Closing Price as on March 31
2018-19	105	100	104.50
2019-20	-	-	-
2020-21	-	-	-
2021-22	101	101	101.00
2022-23	101	101	101.00

Closing price as on September 30, 2023 – 101.00

Distributions made

The Investment Manager on behalf of IndInfravit Trust has made the following Distributions

Financial Year	Total Distribution per unit	Interest per unit	Return of Capital per unit	Dividend per unit	Other Income
2018-19	9.54	5.94	3.60	-	-
2019-20	5.45	3.00	2.01	0.44	-
2020-21	6.3498	3.262	2.4499	0.5979	0.04
2021-22	7.49	6.06	1.35	-	0.08
2022- 23	11.06	6.73	2.14	2.05	0.14
2023-24 (up to September 30, 2023)	2.63	1.27	1.36	-	-

12. Unit price quoted on the exchange at the beginning and end of the half year, the highest and lowest unit price and the average daily volume traded during the half year

At the beginning of the half year	At the end of the half year
BSE - 135.10 NSE – 101.00	BSE – 135.10 NSE – 101.00
The highest and lowest unit price	The highest and lowest unit price
BSE Highest 135.10 Lowest 135.10	NSE Highest 101.00 Lowest 101.00

In BSE, no trade has happened during the period ended September 30, 2023

In NSE, no trade has happened during the period ended September 30, 2023.

- 13.1. Details of all related party transactions during the half year, value of which exceeds five per cent of value of the InvIT assets.

There are no transactions which exceed 5% of the value of the InvIT assets except for the borrowings as listed in the annexure I for the loans given during the period.

2. Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle in which it has investment in.

The details are attached herewith as “**Annexure I**”.

14. Details of issue and buyback of units during the half year, if any

During the half year ended September 30, 2023, as per applicable laws, the Trust has issued additional units through Preferential issue. Brief detail of the issue is mentioned below.

Relevant Date – April 21, 2023

Subscribed amount - INR 4262.20 crore

Issue Price – 101.00 per unit

Allotment Date – May 31, 2023

Total No of Units allotted – 42,20,00,000

Permitted to trade on the exchange - June 2, 2023

There was no buyback of any securities by the Trust for the period.

15. Brief details of material and price sensitive information:

During the half year, the Trust, from time to time, has been providing price sensitive details of material and price sensitive information to the stock exchanges in accordance with the InvIT Regulations.

16. Brief details of material litigations and regulatory actions, which are pending, against the InvIT, sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee if any, as at the end of the half year.

The details are attached herewith as "Annexure J".

17 Risk factors

The details are attached herewith as "Annexure K".

18 1. Information of the contact person of the InvIT:

Ms. Rekha NB
Compliance Officer
Address -INDINFRAVIT TRUST
5th Floor, SKCL - Tech
Square, Lazer St, South
Phase, SIDCO Industrial
Estate, Guindy, Chennai –
600 032 Tamil Nadu, India.
Tel: + 91 44 4398 6000
E-mail - comply@indinfravit.com

2. Financial Information for the half year: (Standalone and consolidated): **The unaudited consolidated and standalone financial information is annexed herewith as Annexure A.**

3. Updated valuation report by the valuer taking into account any material developments during the previous half-year: **Not Applicable**

4. Any other material events during the half-year: **Not Applicable**

Since the aggregate consolidated borrowings and deferred payments does not exceed above 49 percent, no disclosures are required for the following additional line items:- asset cover available, debt- equity ratio; debt service coverage ratio; interest service coverage ratio; net worth.

For IndInfraVIT Trust
By Order of the Board
Interise Investment Managers Limited
(Formerly known as LTIDPL IndvIT Services Limited)
(as the Investment Manager to IndInfraVIT Trust)


Director

Encl: As above



Independent Auditor's review report on the half-yearly unaudited standalone financial information of the Trust pursuant to regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To

The Board of Directors,

**Interise Investment Managers Limited (formerly known as LTIDPL IndvIT Services Limited)
(as Investment Manager of the IndInfravit Trust)**

1. We have reviewed the accompanying statement of unaudited standalone financial information of IndInfravit Trust ("the Trust"), consisting of the standalone statement of profit and loss, explanatory notes thereto, and the additional disclosures in accordance with paragraph 4.6 of Chapter 4 to the Securities and Exchange Board of India ("SEBI") Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated 06 July 2023 ("SEBI Circular") for the half year ended 30 September 2023 (the statement of profit and loss, explanatory notes and additional disclosures together referred to as "the Statement") attached herewith, being submitted by Interise Investment Managers Limited ("Investment Manager") pursuant to the requirements of regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended ("SEBI Regulations"), read with the SEBI Circular.
2. This Statement, which is the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" (Ind AS 34) read with Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with SEBI Circular and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Investment Manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI Regulations and has not disclosed the information required to be disclosed in terms of regulation 23 of the SEBI Regulations as amended, read with the SEBI Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **SHARP & TANNAN**

Chartered Accountants

(Firm's registration no. 003792S)



V. Viswanathan

Partner

Membership no. 215565

UDIN: 23215565BGYMCK8164

Place: Mumbai

Date: 07 November 2023

INDINFRAVIT TRUST
(SEBI Registration Number: IN/InvIT/17-18/0007)

Unaudited Standalone Financial Information for the period ended September 30, 2023

(All amount in Rs. Lakhs, unless otherwise stated)

Sr. No.	Particulars	Six months ended September 30, 2023 (Reviewed)	Six months ended March 31, 2023 (Refer Note 5)	Six months ended September 30, 2022 (Reviewed)	Year ended March 31, 2023 (Audited)
I.	Income				
	Revenue from operations	57,401.54	44,194.75	55,001.85	99,196.60
	Total Income	57,401.54	44,194.75	55,001.85	99,196.60
II.	Expenses				
	Legal & professional expenses	(2,552.37)	(1,605.29)	(578.41)	(2,183.70)
	Investment management fees	(1,691.74)	(2,215.90)	(2,393.00)	(4,608.90)
	Allowance for expected credit loss	(4,834.25)	(50,681.38)	(44,352.68)	(95,034.06)
	Other expenses	(474.33)	(151.69)	(114.97)	(266.66)
	Total Expenses	(9,552.69)	(54,654.26)	(47,439.06)	(1,02,093.32)
III.	Earnings before interest, tax, depreciation, amortisation and impairment loss (EBITDA) (I+II)	47,848.85	(10,459.51)	7,562.79	(2,896.72)
	Finance costs	(28,026.80)	(17,754.96)	(16,251.19)	(34,006.15)
	Other income	1,673.73	967.98	508.53	1,476.51
	Depreciation and amortisation expense	(3.70)	(2.41)	-	(2.41)
	Impairment losses	-	(30,588.78)	-	(30,588.78)
	Loss on sale of investments	(249.30)	(918.22)	-	(918.22)
IV.	Profit/(Loss) before tax	21,242.78	(58,755.90)	(8,179.87)	(66,935.77)
V.	Tax Expense				
	Current tax	(814.16)	(418.19)	(212.93)	(631.12)
	Deferred tax	-	5.35	(4.35)	1.00
	Income tax for earlier years	-	27.11	-	27.11
	Total taxes	(814.16)	(385.73)	(217.28)	(603.01)
VI.	Profit/(Loss) for the period (IV+V)	20,428.62	(59,141.63)	(8,397.15)	(67,538.78)
VII.	Other Comprehensive Income	-	-	-	-
VIII.	Total Comprehensive Income (VI+VII)	20,428.62	(59,141.63)	(8,397.15)	(67,538.78)
	Earnings per unit (basic and diluted) in Rs.	2.26	(9.54)	(1.35)	(10.89)
	Face Value per unit in Rs.	100.00	100.00	100.00	100.00
	Debt equity ratio (Refer Note 15(b))	1.01	0.94	0.75	0.95
	Debt service coverage ratio (Refer Note 15(c))	1.24	1.82	2.08	1.82
	Interest service coverage ratio (Refer Note 15(d))	1.93	2.73	3.23	2.73
	Asset Cover Ratio (Refer Note 15(e))	1.81	1.70	1.95	1.70
	Net Worth	8,11,185.64	4,20,987.68	5,19,711.56	4,20,987.68

Notes to Standalone interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

1. The unaudited standalone interim financial information of the IndInfravit Trust (Trust) for the half year ended September 30, 2023 have been reviewed by the audit committee of Interise Investment Managers Limited (Formerly known as LTIDPL IndvIT Services Limited) (Investment Manager of IndInfravit Trust) at their meeting held on November 07, 2023 and thereafter approved by the board of directors of the Investment Manager at their meeting held on November 07, 2023.
2. The Statutory Auditors of the Trust have carried out a Limited Review of the Standalone interim financial information for the half year ended September 30, 2023.
3. The unaudited standalone interim financial information comprises standalone statement of profit and loss, explanatory notes thereto and the additional disclosures as required in paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023 ("SEBI Circular") for the half year ended September 30, 2023 of the Trust ("Standalone Interim Financial Information"). The standalone interim financial information has been prepared in accordance with the recognition and measurement principles prescribed under Indian Accounting Standard - 34 'Interim Financial Reporting', read with rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') as amended and SEBI Circular.
4. IndInfravit was registered as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882 on March 07, 2018. IndInfravit was registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 ("SEBI InvIT Regulations") on March 15, 2018 having registration number IN/InvIT/17-18/0007.
5. The standalone financial results for the half year ended March 31, 2023 as reported in this financial information are the derived figures between the audited figures for the year ended March 31, 2023 and figures of the half year ended September 30, 2022, which were limited reviewed and the relevant requirements of the SEBI InvIT Regulations as amended from time to time and the circulars issued thereunder.
6. During the financial year ended March 31, 2020, the trust had completed the acquisition of entire equity stake in the eight Project SPV's namely Aurangabad Jalna Tollways Private Limited ("AJIPL"), Bijapur Hungund Tollway Private Limited ("BHTPL"), Bhilwara Rajsamand Tollway Private Limited ("BRTPL"), Dhule Palesner Tollway Private Limited ("DPIPL"), Hyderabad Yadgiri Tollway Private Limited ("HYTPL"), Mysore Bellary Highways Private Limited ("MBHPL"), Nagpur Seoni Expressway Private Limited ("NSEPL") and Shreenathji Udaipur Tollway Private Limited ("SUTPL") from Sadbhav Infrastructure Project Limited (SIPL) in the month of February 2020 and March 2020. As per the terms of the Share Purchase Agreement dated July 01, 2019 and amendments thereafter, certain obligations are to be fulfilled by SIPL within a stipulated time period against which the deferred consideration will be paid to SIPL. As at September 30, 2023, these obligations are yet to be fulfilled by SIPL and the acquisition cost of these shares also includes the deferred consideration as on the date of acquisition. Accordingly, the management of Investment Manager of the Trust has reviewed the share purchase consideration payable as at September 30, 2023 and concluded that there is no change in fair value of the share purchase consideration payable.
7. Pursuant to the Share Purchase Agreements dated November 01, 2022, the Trust had acquired the entire equity share capital of IndInfravit Project Managers Private Limited ("IPMPL") ("Formerly known as Sadbhav PIMA Private Limited") and subscribed to 385,723 equity shares of IPMPL aggregating to Rs. 887 Lakhs in the previous year ended March 31, 2023. Further, the Trust has subscribed additional 2,238,583 equity shares of IPMPL aggregating to Rs. 5,148 Lakhs in the current period.

Notes to Standalone interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

8. The Trust & the Investment Manager of the Trust have entered into share purchase and subscription agreements with IPMPL (a wholly owned subsidiary of the Trust). Pursuant to the agreement the Trust has sold equity shares of the following project SPV's to IPMPL for a consideration of Rs. 5,121 Lakhs.
 - a. MBHPL - 5,11,15,960 equity shares (64% of the shareholding)
 - b. NSEPL - 4,80,000 equity shares (10% of the shareholding)
9. The Trust has reviewed the future discounted cash flows of the subsidiaries. The recoverable amount is higher than the carrying amount of the investments/loans and accordingly, there has been no impairment recognised in the statement of profit and loss for the half year ended September 30, 2023.
10. Pursuant to the Share Purchase Agreements dated with Brookfield Asset Management Inc on June 10, 2022 and amendments thereafter, the Trust had acquired the entire equity share capital of the following companies ('Project SPVs') for an equity consideration Rs. 3,05,104 Lakhs and interest bearing compulsory convertible debentures for an consideration of Rs 1,74,472. Further the trust has advanced an interest-bearing loan of Rs 3,48,133 Lakhs on June 15, 2023.
 - a. Simhapuri Expressway Limited ("SEL"),
 - b. Rayalaseema Expressway Private Limited ("REPL"),
 - c. Mumbai Nasik Expressway Private Limited ("MNEPL"),
 - d. Kosi Bridge Infrastructure Company Private Limited ("KBICL"),

The funding for the said acquisition was raised by InvIT through preferential issue of units, issue of Non-convertible debentures and Rupee Term Loans from Banks.

11. The Board of the Directors of the Investment Manager have declared distribution of Rs. 2.70 per unit which comprise Rs. 1.36 per unit as return on capital, Rs. 1.27 per unit as return of capital and Rs. 0.07 per unit as other income on surplus funds at Trust in their meeting held on September 23, 2023.

Total distribution made by the Trust is Rs. 7.38 per unit (including first distribution of Rs. 4.68 per unit and second distribution of Rs. 2.70 per unit) for the half year ended September 30, 2023.

12. The Board of the Directors of the Investment Manager in their meeting held on August 24, 2023 had approved the change in name of the Trust from "IndInfravit Trust" to "Interise Trust" and following entities subject to requisite approval/consents:

- a) Investment Manager from "LTIDPL IndvIT Services Limited" to "Interise Investment Managers Limited.
- b) Project Manager from IndInfravit Project Managers Private Limited (Previously known as Sadbhav PIMA Private Limited) to "Interise Project Management Private Limited".

On October 30, 2023, the aforementioned entities have received amended Certificate of Incorporation pursuant to change of name from Ministry of Corporate Affairs. In respect of name change & trademark registration of the Trust, the same is in progress as on date of board meeting.

13. During the half year ended September 30, 2023, units of the Trust which were held by SIPL under the escrow agreement and subsequent amendments has been released in the favour of the Trust. The units have been sold and the proceeds of Rs 11,650 Lakhs (net of expenses incurred) has been remitted to the Trust on behalf of the project SPVs namely (AJTPL, BRTPL, BHTPL, HYTPL, MBHPL, NSEPL, and SUTPL) by SIPL. The amount has been remitted against the additional cost/ cost overruns on account of non-performance of contractual obligation with respect to the major maintenance agreements entered between Project SPVs and SIPL, the same amount has been reimbursed to the project SPVs by the Trust in the month of receipt.

Notes to Standalone interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

14. During the half year ended September 30, 2023 two of the project SPV's Viz. Western Andhra Tollways Private Limited ("WATPL") and Krishnagiri Thopur Toll Road Private Limited ("KTTPPL") has filed the petition with the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT Chennai") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on February 17, 2023 for WATPL & KTTPPL.

NCLT Chennai vide order dated September 13, 2023 (certified copy of the order received on September 21, 2023) has approved the capital reduction scheme for WATPL and Registrar of Companies, Chennai ("ROC Chennai") order giving effect to NCLT order was awaited as on September 30, 2023. Subsequently, the ROC Chennai has provided a final order dated October 18, 2023 and as on date of adoption of result the capital reduction amount is yet to be received by the Trust and same will be accounted on the actual receipt.

NCLT Chennai has admitted the applications in KTTPPL and necessary notices have been issued. The capital reduction scheme has been heard by NCLT Chennai on October 11, 2023 and the order has been reserved.

15. Ratios has been computed as per details given below:

- (a) Paid up debt capital = Total borrowings as on reporting date
- (b) Debt equity ratio = Total borrowings / (Unitholders' Equity + Retained Earnings)
- (c) Debt Service Coverage Ratio = Earnings before Interest and Tax*/ (Interest Expense + Principal Repayments made during the period/year)
- (d) Interest Service Coverage Ratio = Earnings before Interest and Tax*/ Interest Expense
- (e) Asset cover ratio/Security Cover = (Total investments in subsidiaries + Loan to subsidiaries) / Liability in respect of Secured Non-convertible debentures at amortised cost under Ind-AS as at balance sheet date and Secured term loans from Bank.

*Earnings before Interest and Tax excludes impairment of investments or loans to subsidiary and Allowance for expected credit loss

16. Details of non-convertible debentures are as follows:

Particulars	Secured/ Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
7.85% Non-convertible debentures	Secured	30-Sep-23	30-Sep-23	31-Dec-23	31-Dec-23

Non-convertible debentures are secured by:

- (a) a first ranking pari passu Security Interest over the Issuer's immovable assets (if any) of the SEL, REPL, MNEPL and KBICL (hereafter referred to as 'Pool III SPVs');
- (b) a first ranking pari passu Security Interest over the Hypothecated Properties of Pool III SPVs;
- (c) a first ranking pari passu Security Interest over the Identified Hypothecated Properties of Pool III SPVs;
- (d) a first ranking pari passu Security Interest over the Pledged Securities of Pool III SPVs;
- (e) a first ranking pari passu Security Interest by way of assignment of rights of the Trust in respect of the loans made by the Trust to the Pool III SPVs, including rights of the Substitution Agreements (including right of substitution, termination and invocation of the provisions of Escrow Agreement upon occurrence of Event of Default) as permissible under Concession Agreements of the respective Pool III SPVs.

17. Investors can view the results of the Trust on the Trust's website www.indinfravit.com or on the websites of Bombay Stock Exchange (www.bseindia.com) or National Stock Exchange (www.nseindia.com).

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a Statement of Net Distributable Cash Flows (NDCF)

	Rs. Lakhs			
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Cash flows received from the Portfolio Assets in the form of interest	56,047.32	32,900.60	33,888.04	66,788.64
Cash flows received from the Portfolio Assets in the form of dividend	-	2,705.00	10,043.80	12,748.80
Any other income accruing at the Trust level and not captured above, including but not limited to interest / return on surplus cash invested by the Trust	1,673.73	978.35	498.16	1,476.51
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	28,665.28	22,365.73	11,090.00	33,455.73
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	5,121.60	727.82	-	727.82
Total cash inflow at the Trust level (A)	91,507.93	59,677.50	55,520.00	1,15,197.50
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager and Trustee	32,590.56	21,418.25	19,935.45	41,353.70
Less: Net cash set aside to comply with DSRA requirement under loan agreements	-	-12,500.00	-	-12,500.00
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18 (7) (a) of the InvIT Regulations	5,148.74	1,002.16	-	1,002.16
Less: Repayment of external debt at the Trust level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	15,653.21	8,000.68	8,950.19	16,950.87
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	6,000.00	5,500.00	700.00	6,200.00
Total cash outflows/retention at the Trust level (B)	59,392.51	23,421.09	29,585.64	53,006.73
Net Distributable Cash Flows (C) = (A-B)	32,115.42	36,256.41	25,934.36	62,190.77

Note:

Net Distributable Cash Flows as computed above	32,115.42	36,256.41	25,934.36	62,190.77
Add : Cash available for distribution from SPVs in the form of				
Interest to the Trust	-	4,447.75	-	4,447.75
Principal Repayment to the Trust	-	3,150.00	-	3,150.00
Dividend Payment to the Trust	-	-	-	-
Net Cash available for Distribution at the Trust	32,115.42	43,854.16	25,934.36	69,788.52

b Contingent Liabilities as at September 30, 2023 is Rs 14,000 Lakhs (March 31, 2023 : Rs. 14,000 Lakhs; September 30, 2022 : Nil)

c Commitments as at September 30, 2023 is Nil (March 31, 2023 : Nil; September 30, 2022 : Nil)

d Statement of Earnings per unit

Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) for the period (Rs. Lakhs)	20,428.62	(59,141.63)	(8,397.15)	(67,538.78)
Number of units outstanding for computation of basic and diluted earning per unit (No. Lakhs)	9,040.51	6,204.11	6,204.11	6,204.11
Earnings per unit (Basic and Diluted) (Rs. Per unit)	2.26	(9.54)	(1.35)	(10.89)

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

e Related Party Disclosures**I List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"****A Related parties where control exists****Subsidiaries**

Western Andhra Tollways Private Limited (WATPL)
Krishnagiri Thopur Toll Road Private Limited (KTTPPL)
Krishnagiri Walajahpet Tollway Private Limited (KWTPPL)
Beawar Pali Pindwara Tollway Private Limited (BPPTPL)
Devihalli Hassan Tollway Private Limited (DHTPL)
Aurangabad - Jalna Toll Way Private Limited (AJTPL)
Bijapur-Hungund Tollway Private Limited (BHTPL)
Bhilwara-Rajsamand Tollway Private Limited (BRTPL)
Dhule Palesner Tollway Private Limited (DPTPL)
Hyderabad-Yadgiri Tollway Private Limited (HYTPL)
Mysore-Bellary Highway Private Limited (MBHPL)
Nagpur-Seoni Expressway Private Limited (NSEPL)
Shreenathji-Udaipur Tollway Private Limited (SUTPL)
IndInfravit Project Managers Private Limited (IPMPL) (formerly Sadbhav PIMA Private Limited (SPPL))
Simhapuri Expressway Limited (SEL) (w.e.f. June 15, 2023)
Rayalseema Expressway Private Limited (REPL) (w.e.f. June 15, 2023)
Mumbai Nasik Expressway Private Limited (MNEL) (w.e.f. June 15, 2023)
Kosi Bridge Infrastructure Company Private Limited (KBICL) (w.e.f. June 15, 2023)

B Post-employment benefit plans for the benefit of Employees of Reporting entity or entity related to the reporting entity

IndInfravit SPVs Employees Gratuity Trust
LTIDPL IndvIT Services Limited Employees Gratuity Trust

II List of additional related parties as per Regulation 2(1)(zv) of the SEBI InvIT Regulations**A Parties to the Trust**

L&T Infrastructure Development Projects Limited (L&T IDPL) - Sponsor of the IndInfravit Trust.
LTIDPL IndvIT Services Limited (LTIDPL IndvIT) - Investment Manager (IM) of the Trust
IDBI Trusteeship Services Limited (ITSL) - Trustee of Trust
IndInfravit Project Managers Private Limited (IPMPL) - Project Manager of the Portfolio assets (formerly Sadbhav PIMA Private Limited (SPPL)).

B Promoters of the parties to the Trust specified in II(A) above

Larsen & Toubro Limited (L&T) - Promoter of L&T IDPL
CPPIB India Private Holdings Inc (CPPIB) - Promoter of L&T IDPL
L&T Infrastructure Development Projects Limited (L&T IDPL) - Promoter of LTIDPL IndvIT
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL
Life Insurance Corporation of India (LIC) - Promoter of ITSL
General Insurance Corporation of India - Promoter of ITSL

C Directors of the parties to the Trust specified in II(A) above**(i) Directors of L&T IDPL**

Mr. Pushkar Vijay Kulkarni
Mr. R. Shankar Raman
Mr. Sudhakar Rao
Mr. Dip Sen Kishore
Ms. Vijayalakshmi Rajaram Iyer
Mr. Prof Amirthalingam Veeraragavan

(ii) Directors of LTIDPL IndvIT

Mr. Pushkar Vijay Kulkarni
Ms. Anjali Gupta
Ms. Delphine Voeltzel
Mr. Pramod Sushila Kapoor
Mr. Ravindran Shanmugakani
Mr. Ashwin Mahalingam
Mrs. Samyuktha Surendran
Mrs. Monisha Prabhu Macedo
Mrs. Neera Saggi
Mr. Sanjay Ubale

(iii) Directors of IPMPL

Mr. Pawan Kant
Mr. Gaurav Khanna

(iv) Directors of ITSL

Ms. Jayashree Vijay Ranade
Mr. Pradeep Kumar Jain
Mr. Jaykumar S. Pillai
Mr. Pradeep Kumar Malhotra
Mr. Baljinder Kaur Mandal

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

e Related Party Disclosures
III Transactions with related parties during the period
Rs. Lakhs

Sr. no.	Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
(i)	Unsecured loans given to subsidiaries				
	BPPTPL	6,000.00	5,000.00	500.00	5,500.00
	KWTPL	6,700.00	17,500.00		17,500.00
	WATPL	-	-	200.00	200.00
	BRTPL	-	300.00		300.00
	IPMPL	-	200.00		200.00
	SEL	2,08,027.87	-		-
	REPL	98,636.86	-		-
	MNEL	27,269.58	-		-
	KBICL	14,209.58	-		-
(ii)	Repayment of loan from subsidiaries				
	AJTPL	-	2,350.00	-	2,350.00
	BHTPL	2,725.00	3,000.00	-	3,000.00
	BPPTPL	-	5,265.73	-	5,265.73
	DHTPL	-	300.00	-	300.00
	DPTPL	2,495.50	2,500.00	-	2,500.00
	HYTPL	1,100.00	800.00	-	800.00
	KTTPPL	-	750.00	4,250.00	5,000.00
	KWTPL	5,785.00	4,900.00	4,640.00	9,540.00
	MBHPL	2,680.40	2,500.00	-	2,500.00
	WATPL	-	-	2,200.00	2,200.00
	SEL	10,035.00	-	-	-
	REPL	11.37	-	-	-
	MNEL	3,125.00	-	-	-
	KBICL	708.00	-	-	-
(iii)	Interest Income from Subsidiaries				
	AJTPL	1,289.79	1,394.93	1,446.49	2,841.42
	BHTPL	5,283.60	5,495.03	5,582.16	11,077.19
	BPPTPL	4,893.31	4,677.79	7,259.59	11,937.38
	BRTPL	1,426.09	2,473.09	2,478.08	4,951.17
	DHTPL	1,807.35	1,816.18	1,831.86	3,648.04
	DPTPL	7,430.89	8,465.58	8,559.02	17,024.60
	HYTPL	3,331.59	3,363.83	3,395.21	6,759.04
	KTTPPL	378.21	400.42	661.77	1,062.19
	KWTPL	4,608.23	4,055.36	4,181.98	8,237.34
	MBHPL	324.36	434.77	505.38	940.15
	NSEPL	364.33	917.45	922.49	1,839.94
	SUTPL	6,003.57	7,799.61	7,842.46	15,642.07
	WATPL	195.00	194.46	291.56	486.02
	IPMPL	13.00	1.25	-	1.25
	SEL	11,250.77	-	-	-
	REPL	7,239.81	-	-	-
	MNEL	1,026.10	-	-	-
	KBICL	535.52	-	-	-
(iv)	Investment Manager Fee - Expense				
	LTIDPL IndvIT	1,450.81	2,212.94	2,393.00	4,605.94
(v)	Trusteeship Fee - Expense				
	ITSL	26.20	6.13	24.49	30.62
(vi)	Purchase of equity shares				
	SIPL**	-	115.00	-	115.00
(vii)	Investments in fresh issue of equity shares of subsidiaries				
	IPMPL	5,148.74	887.16	-	887.16
(viii)	Sale of equity shares				
	IPMPL	5,121.60	727.82	-	727.82

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

e Related Party Disclosures
III Transactions with related parties during the period (Continued)
Rs. Lakhs

Sr. no.	Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
(ix)	Payment made against share consideration				
	SIPL**	-	-	400.00	400.00
(x)	Distribution made to				
	L&T IDPL	-	2,396.43	942.80	3,339.23
	SIPL**	-	236.68	389.31	625.99
(xi)	Reimbursement of expenses from				
	AJTPL	17.42	135.01	47.36	182.37
	BHTPL	12.58	125.23	39.26	164.49
	BPPTPL	13.28	189.42	71.93	261.35
	BRTPL	12.46	129.55	35.24	164.79
	DHTPL	12.68	124.90	51.17	176.07
	DPTPL	11.80	137.79	43.22	181.01
	HYTPL	12.67	129.23	37.61	166.84
	KITPL	11.93	120.56	54.05	174.61
	KWTPL	13.72	138.10	59.61	197.71
	MBHPL	11.90	104.30	25.88	130.18
	NSEPL	11.18	87.18	20.76	107.94
	SUTPL	12.50	141.08	44.69	185.77
	WATPL	12.78	135.78	47.80	183.58
	LTIDPL IndvIT	9.84	445.55	541.54	987.09
	IPMPL	8.85	118.93	-	118.93
	SEL	51.71	-	-	-
	REPL	45.38	-	-	-
	MNEL	6.89	-	-	-
	KBICL	3.88	-	-	-
(xii)	Dividend received				
	KITPL	-	1,575.00	2,362.50	3,937.50
	MBHPL	-	-	7,116.30	7,116.30
	WATPL	-	1,130.00	565.00	1,695.00
(xiii)	Reimbursement of expenses to				
	AJTPL	-	-	5.15	5.15
	BHTPL	-	-	182.40	182.40
	BRTPL	-	-	35.75	35.75
	DHTPL	-	6.02	-	6.02
	DPTPL	-	-	8.37	8.37
	HYTPL	-	-	2.57	2.57
	KWTPL	-	-	0.01	0.01
	SUTPL	-	-	48.98	48.98
	WATPL	-	0.42	0.41	0.83
	LTIDPL IndvIT	1.15	0.96	1.44	2.40
	IPMPL	2.14	-	-	-
	Mr. Gaurav Khanna	0.37	0.31	-	0.31
(xiv)	Remittance of amount received on behalf of SPVs				
	BHTPL	2,037.00	-	-	-
	MBHPL	1,052.00	-	-	-
	HYTPL	1,332.00	-	-	-
	NSEPL	281.00	-	-	-
	SUTPL	1,136.00	-	-	-
	BRTPL	5,641.00	-	-	-
	AJTPL	170.00	-	-	-
(xv)	Contribution on behalf of Project SPVs				
	IndInfravit Spvs Employees Gratuity Trust	-	26.07	-	26.07

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

e Related Party Disclosures

IV Outstanding balances as at

Rs. Lakhs

S. No.	Particulars	As at September 30, 2023	As at March 31, 2023	As at September 30, 2022
(i)	Interest receivable from subsidiaries			
	AJTPL	2,096.47	2,720.89	2,428.04
	BHTPL	1,959.43	2,939.58	2,300.75
	BPPTPL	40,716.82	47,023.51	50,345.72
	BRITPL	14,443.10	13,517.02	11,043.93
	DHTPL	6,686.70	4,980.06	4,980.06
	DPTPL	3,709.48	5,552.28	4,808.26
	HYTPL	6,970.20	6,679.62	4,841.78
	MBHPL	38.74	147.83	653.74
	NSEPL	1,480.48	1,566.15	2,938.75
	SUTPL	31,722.82	29,719.25	21,919.65
	IPMPL	14.25	1.25	-
	REPL	6,304.94	-	-
(ii)	Interest received in advance from subsidiaries			
	KTTPL	-	0.27	1.07
	KWTL	-	-	1.25
	WATL	-	-	0.36
	SEL	37.73	-	-
	KBICL	5.05	-	-
(iii)	Unsecured loan receivable			
	AJTPL	19,842.96	19,842.96	22,192.96
	BHTPL	79,919.79	82,644.79	85,644.79
	BPPTPL	2,18,582.27	2,12,580.08	2,12,845.81
	BRITPL	38,320.14	38,320.14	38,020.14
	DHTPL	27,805.44	27,805.44	28,105.44
	DPTPL	1,26,321.89	1,28,817.40	1,31,317.40
	HYTPL	50,191.24	51,291.24	52,091.24
	KTTPL	5,818.61	5,818.61	6,568.61
	KWTL	73,364.93	72,449.93	59,849.93
	MBHPL	2,573.40	5,253.80	7,753.80
	NSEPL	14,153.42	14,153.42	14,153.42
	SUTPL	1,20,323.63	1,20,323.63	1,20,323.63
	WATPL	3,000.00	3,000.00	3,000.00
	IPMPL	200.00	200.00	-
	SEL	1,97,992.87	-	-
	REPL	98,625.49	-	-
	MNEL	24,144.58	-	-
	KBICL	13,501.58	-	-
(iv)	Investment Manager Fee - Payable			
	LTIDPL IndvIT	1,307.39	881.40	322.34
(v)	Trusteeship Fee - Payable			
	ITSL	-	-	23.60
(vi)	Reimbursement of expenses receivable from			
	AJTPL	17.42	107.94	69.96
	BHTPL	117.37	107.96	39.26
	BPPTPL	13.28	142.89	71.93
	BRITPL	24.12	162.13	35.24
	DHTPL	113.40	100.72	51.17
	DPTPL	11.80	108.96	43.22
	HYTPL	12.67	127.03	37.61
	KTTPL	11.93	92.91	54.05
	KWTL	13.72	102.52	59.61
	MBHPL	11.90	87.55	18.61
	NSEPL	11.18	80.18	13.00
	SUTPL	0.82	110.85	44.69
	WATPL	111.26	98.49	30.21
	LTIDPL IndvIT	9.81	225.53	118.54
	IPMPL	127.09	118.25	-
	SEL	6.86	-	-
	REPL	4.95	-	-
	MNEL	3.96	-	-
	KBICL	3.88	-	-

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

e Related Party Disclosures**IV Outstanding balances as at (Continued)**

Rs. Lakhs

S. No.	Particulars	As at September 30, 2023	As at March 31, 2023	As at September 30, 2022
(vii)	Reimbursement of expenses payable to			
	AJIPL	-	-	5.15
	BHTPL	-	-	182.40
	BRITPL	-	-	35.75
	DPTPL	-	-	22.73
	HYITPL	-	-	2.57
	SUTPL	-	-	48.98
	LTIDPL IndvIT	1.15	0.96	-
(viii)	Share purchase consideration payable			
	SIPL**	-	-	3,829.35

****Note:**

Sadbhav Infrastructure Project Limited (SIPL) was a Project Manager for subsequent portfolio of project SPVs until May 24, 2022 and Promoter of the Project Manager IPMPL (Formerly known as SPPL) upto December 11, 2022. Accordingly, transactions entered upto December 11, 2022 have been considered for disclosure under related party transactions.

For and on behalf of the Board of Interise Investment Managers Limited
(formerly known as LTIDPL IndvIT Services Limited)
(Investment Manager of IndInfraVIT Trust)



Director



Place: Mumbai

Date: November 07, 2023

Independent Auditor's review report on the half-yearly unaudited consolidated financial information of the Trust pursuant to regulation 23 of the SEBI (Infrastructure Investment Trusts Regulations), 2014, as amended

To

The Board of Directors,

**Interise Investment Managers Limited (formerly known as LTIDPL IndvIT Services Limited)
(as Investment Manager of the IndInfravit Trust)**

1. We have reviewed the accompanying statement of unaudited consolidated financial information of IndInfravit Trust ("the Trust") and its subsidiaries (the Trust and its subsidiaries together referred to as "the Group"), consisting of the consolidated statement of profit and loss, explanatory notes thereto and the additional disclosures as required in paragraph 4.6 of Chapter 4 to the Securities and Exchange Board of India ("SEBI") Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated 06 July 2023 ("SEBI Circular") for the half year ended 30 September 2023 (the consolidated statement of profit and loss, explanatory notes and additional disclosures together referred to as "the Statement") attached herewith, being submitted by Interise Investment Managers Limited ("Investment Manager") pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended ("SEBI Regulations"), read with the SEBI Circular.
2. This Statement, which is the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" (Ind AS 34) read with Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with SEBI Circular and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of Investment Manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities which are subsidiaries of the Trust:
 - i. Devihalli Hassan Tollway Private Limited
 - ii. Krishnagiri Thopur Toll Road Private Limited
 - iii. Beawar Pali Pindwara Tollway Private Limited
 - iv. Western Andhra Tollways Private Limited
 - v. Krishnagiri Walajapet Tollway Private Limited
 - vi. Bijapur Hungund Tollway Private Limited

- vii. Bhilwara Rajsamand Tollway Private Limited
- viii. Dhule Palesner Tollway Private Limited
- ix. Hyderabad Yadgiri Tollway Private Limited
- x. Nagpur Seoni Expressway Private Limited
- xi. Shreenathji Udaipur Tollway Private Limited
- xii. Aurangabad Jalna Tollway Private Limited
- xiii. Mysore Bellary Highway Private Limited
- xiv. Interise Project Management Private Limited (*formerly known as IndInfravit Project Managers Private Limited*)
- xv. Rayalseema Expressway Private Limited (w.e.f. 15 June 2023)
- xvi. Simhapuri Expressway Limited (w.e.f. 15 June 2023)
- xvii. Mumbai Nasik Expressway Private Limited (w.e.f. 15 June 2023)
- xviii. Kosi Bridge Infrastructure Company Private Limited (w.e.f. 15 June 2023)

5. Based on our review conducted as above and based on the consideration of review reports of other auditors referred to in paragraph (6) below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI Regulations and has not disclosed the information required to be disclosed in terms of Regulation 23 of the SEBI Regulations as amended, read with the SEBI Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information and other disclosures of fifteen subsidiaries included in the consolidated unaudited financial information, whose interim financial information reflect total revenues of Rs. 1,08,710 lakhs and total loss after taxes (net) Rs. 19,615 lakhs for the period from 1 April 2023 to 30 September 2023, as considered in the Statement. These interim financial information has been reviewed by other auditors whose reports have been furnished to us by the Investment Manager and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our conclusion on the Statement is not modified in respect of the above matter.

for **SHARP & TANNAN**
Chartered Accountants
(Firm's registration no. 003792S)



V. Viswanathan
Partner

Place: Mumbai
Date: 07 November 2023

Membership no. 215565
UDIN: 23215565BGYMCL1183

<p style="text-align: center;">INDINFRAVIT TRUST (SEBI Registration Number: IN/InvIT/17-18/0007) Unaudited Consolidated Financial Information for the period ended September 30, 2023 (All amounts in Rs. Lakhs, unless otherwise stated)</p>					
S. No.	Particulars	Six months ended September 30, 2023 (Reviewed)	Six months ended March 31, 2023 (Refer Note 5)	Six months ended September 30, 2022 (Reviewed)	Year ended March 31, 2023 (Audited)
I.	Income				
	Revenue from operations (including construction revenue)	1,45,863.66	1,02,304.93	94,658.46	1,96,963.39
	Total Income	1,45,863.66	1,02,304.93	94,658.46	1,96,963.39
II.	Expenses				
	Operation expenses (including construction expenses)	(38,773.95)	(20,477.30)	(20,402.64)	(40,879.95)
	Investment Manager fees	(1,691.74)	(2,215.90)	(2,393.00)	(4,608.90)
	Project management fees	-	(1,090.16)	(1,557.02)	(2,647.18)
	Employee benefits expense	(3,049.65)	(2,249.77)	(1,648.80)	(3,898.57)
	Insurance & security expenses	(6,138.23)	(2,454.50)	(2,088.51)	(4,543.01)
	Other expenses	(5,712.26)	(4,939.26)	(2,208.85)	(7,148.11)
	Total Expenses	(55,365.83)	(33,426.89)	(30,298.82)	(63,725.72)
III.	Earnings before Interest, tax, depreciation, amortisation and impairment loss (EBITDA) (I+II)	90,497.83	68,878.03	64,359.64	1,33,237.67
	Depreciation and amortisation expense	(47,979.86)	(40,737.43)	(35,655.09)	(76,392.52)
	Impairment losses	-	(16,127.64)	(2,574.75)	(18,702.39)
	Finance costs	(63,511.71)	(49,540.44)	(47,770.71)	(97,311.15)
	Other Income	17,630.73	7,281.88	5,955.49	13,237.37
IV.	Profit / (Loss) Before Tax	(3,363.01)	(30,245.60)	(15,685.42)	(45,931.02)
V.	Tax Expense:				
	Current Tax	(4,079.97)	(2,863.32)	(1,956.94)	(4,820.26)
	Deferred Tax	4,599.69	7,368.24	3,327.90	10,696.14
	Total Taxes	519.72	4,504.92	1,370.96	5,875.88
VI.	Profit / (Loss) for the period (IV+V)	(2,843.29)	(25,740.68)	(14,314.46)	(40,055.14)
VII.	Other Comprehensive Income				
	(i) Items that will not be reclassified to profit or loss (net of tax)	(0.57)	(13.57)	(0.34)	(13.91)
	ii) Items that will be reclassified to profit or loss (net of tax)	3,158.08	-	-	-
	Total Comprehensive Income (VI+VII)	314.22	(25,754.25)	(14,314.80)	(40,069.05)
	Earnings per unit (Basic and Diluted) in Rs.	(0.31)	(4.15)	(2.31)	(6.46)
	Face value per unit in Rs.	100.00	100.00	100.00	100.00

Notes to Consolidated interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

1. The unaudited consolidated interim financial information of the IndInfravit Trust (Trust) for the half year ended September 30, 2023 have been reviewed by the audit committee of Interise Investment Managers Limited (Formerly known as LTIDPL IndvIT Services Limited (Investment Manager of IndInfravit Trust) and thereafter approved by the board of directors of the Investment Manager at their meeting held on November 07, 2023.
2. The Statutory Auditors of the Trust have carried out a Limited Review of the Consolidated interim financial information for the half year ended September 30, 2023.
3. The unaudited consolidated interim financial information comprises consolidated statement of profit and loss, explanatory notes thereto and the additional disclosures as required in paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023 ("SEBI Circular") for the half year ended September 30, 2023 of the Trust and its subsidiaries (together referred to as 'the Group') ("Consolidated Interim Financial Information"). The consolidated interim financial information has been prepared in accordance with the recognition and measurement principles prescribed under Indian Accounting Standard - 34 'Interim Financial Reporting', read with rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') as amended and SEBI Circular.
4. IndInfravit Trust was registered as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882 on March 07, 2018. IndInfravit was registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 ("SEBI InvIT Regulations") on March 15, 2018 having registration number IN/InvIT/17-18/0007.
5. The consolidated financial results for the half year ended March 31, 2023 as reported in this financial information are the derived figures between the audited figures for the year ended March 31, 2023 and figures of the half year ended September 30, 2022, which were limited reviewed and the relevant requirements of the SEBI InvIT Regulations as amended from time to time and the circulars issued thereunder.
6. During the financial year ended March 31, 2020, the trust had completed the acquisition of entire equity stake in the eight Project SPV's namely Aurangabad Jalna Tollways Private Limited ("AJTPL"), Bijapur Hungund Tollway Private Limited ("BHTPL"), Bhilwara Rajsamand Tollway Private Limited ("BRTPL"), Dhule Palesner Tollway Private Limited ("DPTPL"), Hyderabad Yadgiri Tollway Private Limited ("HYTPL"), Mysore Bellary Highways Private Limited ("MBHPL"), Nagpur Seoni Expressway Private Limited ("NSEPL") and Shreenathji Udaipur Tollway Private Limited ("SUTPL") from Sadbhav Infrastructure Project Limited (SIPL) in the month of February 2020 and March 2020. As per the terms of the Share Purchase Agreement dated July 01, 2019 and amendments thereafter, certain obligations are to be fulfilled by SIPL within a stipulated time period against which the deferred consideration will be paid to SIPL. As at September 30, 2023, these obligations are yet to be fulfilled by SIPL and the acquisition cost of these shares also includes the deferred consideration as on the date of acquisition. Accordingly, the management of Investment Manager of the Trust has reviewed the share purchase consideration payable as at September 30, 2023 and concluded that there is no change in fair value of the share purchase consideration payable.
7. The subsidiaries have reviewed the future discounted cash flows of the intangible assets (Toll Collection Rights)/financial assets. The recoverable amount is higher than the carrying amount of the assets and accordingly, there has been no impairment recognised in the statement of profit and loss of the subsidiary for the half year ended September 30, 2023. The same has been included in the consolidated interim financial information of the Trust for the half year ended September 30, 2023.

Notes to Consolidated interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

8. Pursuant to the Share Purchase Agreements dated November 01, 2022, the Trust had acquired the entire equity share capital of IndInfravit Project Managers Private Limited ("IPMPL") ("Formerly known as Sadbhav PIMA Private Limited") and subscribed to 385,723 equity shares of IPMPL aggregating to Rs. 887 Lakhs in the previous year ended March 31, 2023. Further, the Trust has subscribed additional 2,238,583 equity shares of IPMPL aggregating to Rs. 5,148 Lakhs in the current period.
9. The Trust & the Investment Manager of the Trust have entered into share purchase and subscription agreements with IPMPL (a wholly owned subsidiary of the Trust). Pursuant to the agreement the Trust has sold equity shares of the following project SPV's to IPMPL.
 - a. MBHPL - 5,11,15,960 equity shares (aggregating to 64% of the shareholding)
 - b. NSEPL - 4,80,000 equity shares (10% of the shareholding)
10. Pursuant to the Share Purchase Agreements dated with Brookfield Asset Management Inc on June 10, 2022 and amendments thereafter, the Trust had acquired the entire equity share capital of the following companies ("Project SPVs") for an equity consideration Rs. 3,05,104 Lakhs and interest bearing compulsory convertible debentures for an consideration of Rs 1,74,472. Further, the Trust has advanced an interest-bearing loan of Rs 3,48,133 Lakhs on June 15, 2023.
 - a. Simhapuri Expressway Limited ("SEL"),
 - b. Rayalaseema Expressway Private Limited ("REPL"),
 - c. Mumbai Nasik Expressway Private Limited ("MNEPL"),
 - d. Kosi Bridge Infrastructure Company Private Limited ("KBICL"),

The funding for the said acquisition was raised by InvIT through preferential issue of units, issue of Non-convertible debentures and Rupee Term Loans from Banks.

The Trust has carried out a fair valuation of the net assets of the Project SPVs and accordingly the goodwill / gain from bargain purchase has been accounted in the consolidated financial statements.

11. The Board of the Directors of the Investment Manager have declared distribution of Rs. 2.70 per unit which comprise Rs. 1.36 per unit as return on capital, Rs. 1.27 per unit as return of capital and Rs. 0.07 per unit as other income on surplus funds at Trust in their meeting held on September 23, 2023.

Total distribution made by the Trust is Rs. 7.38 per unit (including first distribution of Rs. 4.68 per unit and second distribution of Rs. 2.70 per unit) for the half year ended September 30, 2023.

12. The Board of the Directors of the Investment Manager in their meeting held on August 24, 2023 had approved the change in name of the Trust from "IndInfravit Trust" to "Interise Trust" and following entities subject to requisite approval/consents:

- a) Investment Manager from "LTIDPL IndvIT Services Limited" to "Interise Investment Managers Limited.
- b) Project Manager from IndInfravit Project Managers Private Limited (Previously known as Sadbhav PIMA Private Limited) to "Interise Project Management Private Limited".

On October 30, 2023, the aforementioned entities have received amended Certificate of Incorporation pursuant to change of name from Ministry of Corporate Affairs. In respect of name change & trademark registration of the Trust, the same is in progress as on date of board meeting.

Notes to Consolidated interim financial information of IndInfravit Trust ("the Trust") for the half year ended September 30, 2023

13. During the half year ended September 30, 2023, units of the Trust which were held by SIPL under the escrow agreement and subsequent amendments has been released in the favour of the Trust. The units have been sold and the proceeds of Rs 11,650 Lakhs (net of expenses incurred) has been remitted to the Trust on behalf of the project SPVs namely (AJTPL, BRTPL, BHTPL, HYTPL, MBHPL, NSEPL, and SUTPL) by SIPL. The amount has been remitted against the additional cost/ cost overruns on account of non-performance of contractual obligation with respect to the major maintenance agreements entered between Project SPVs and SIPL, the same amount has been reimbursed to the project SPVs by the Trust in the month of receipt.
14. During the half year ended September 30, 2023 two of the project SPV's Viz. Western Andhra Tollways Private Limited ("WATPL") and Krishnagiri Thopur Toll Road Private Limited ("KTTPPL") has filed the petition with the Hon'ble National Company Law Tribunal, Chennai Bench ('NCLT Chennai') for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on February 17, 2023 for WATPL & KTTPPL.

NCLT Chennai vide order dated September 13, 2023 (certified copy of the order received on September 21, 2023) has approved the capital reduction scheme for WATPL and Registrar of Companies, Chennai ('ROC Chennai') order giving effect to NCLT order was awaited as on September 30, 2023. Subsequently, the ROC Chennai has provided a final order dated October 18, 2023 and as on date of adoption of result the capital reduction amount is yet to be received by the Trust and same will be accounted on the actual receipt.

NCLT Chennai has admitted the applications in KTTPPL and necessary notices have been issued. The capital reduction scheme has been heard by NCLT Chennai on October 11, 2023 and the order has been reserved.

15. Investors can view the results of the Trust on the Trust's website www.indinfravit.com or on the websites of Bombay Stock Exchange (www.bseindia.com) or National Stock Exchange (www.nseindia.com).

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCF_s)

i. IndInfraVIT Trust

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Cash flows received from the Portfolio Assets in the form of interest	56,047.32	32,900.60	33,888.04	66,788.64
Cash flows received from the Portfolio Assets in the form of dividend	-	2,705.00	10,043.80	12,748.80
Any other income accruing at the Trust level and not captured above, including but not limited to interest / return on surplus cash invested by the Trust	1,673.73	978.35	498.16	1,476.51
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	28,665.28	22,365.73	11,090.00	33,455.73
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	5,121.60	727.82	-	727.82
Total cash inflow at the Trust level (A)	91,507.93	59,677.50	55,520.00	1,15,197.50
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager and Trustee	32,590.56	21,418.25	19,935.45	41,353.70
Less: Net cash set aside to comply with DSRA requirement under loan agreements	-	(12,500.00)	-	(12,500.00)
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18 (7) (a) of the InvIT Regulations	5,148.74	1,002.16	-	1,002.16
Less: Repayment of external debt at the Trust level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	15,653.21	8,000.68	8,950.19	16,950.87
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	6,000.00	5,500.00	700.00	6,200.00
Total cash outflows / retention at the Trust level (B)	59,392.51	23,421.09	29,585.64	53,006.73
Net Distributable Cash Flows (C) = (A-B)	32,115.42	36,256.41	25,934.36	62,190.77

Note:

Net Distributable Cash Flows as computed above	32,115.42	36,256.41	25,934.36	62,190.77
Add : Cash available for distribution from SPVs in the form of Interest to the Trust	-	4,447.75	-	4,447.75
Principal Repayment to the Trust	-	3,150.00	-	3,150.00
Net Cash available for Distribution at the Trust	32,115.42	43,854.16	25,934.36	69,788.52

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

ii. Western Andhra Tollways Private Limited

Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Rs. Lakhs			
Profit / (Loss) after tax as per profit and loss account (A)	3,429.61	3,009.42	2,476.47	5,485.89
Add: Depreciation, impairment and amortisation as per profit and loss account	888.02	885.97	884.05	1,770.02
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(26.15)	203.73	895.84	1,099.57
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	195.00	194.46	291.56	486.02
Less: Capital expenditure, if any	(10.76)	3.32	(3.32)	-
Add / Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		20.78	(20.78)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	234.43	160.45	160.46	320.91
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	(2,670.00)	(6,600.00)	-	(6,600.00)
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(1,844.32)	5,326.95	(3,777.95)	1,549.00
Total Adjustments (B)	(3,233.78)	195.66	(1,570.14)	(1,374.48)
Net Distributable Cash Flows (C) = (A+B)	195.83	3,205.08	906.33	4,111.41
Net Distributable Cash Flows as per above	195.83	3,205.08	906.33	4,111.41
Proportionate principal repayment & interest payment proposed out of opening surplus	-	-	2,150.59	69.61
Proposed Total Distribution	195.00	1,124.11	3,056.92	4,181.02

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

iii. Krishnagiri Walajahpet Tollway Private Limited

		Rs. Lakhs	
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	1,702.20	1,771.55	2,366.81
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,280.66	1,645.62	2,422.42
Add/ Less: Decrease/ (increase) in working capital as per Ind AS 7	(71.84)	6,268.77	3,872.56
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	4,608.23	4,055.36	8,237.34
Less: Capital expenditure, if any	(138.32)	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to			
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		(13.25)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	834.97	698.50	1,540.67
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(41.08)	(1,398.00)	(1,398.00)
Total Adjustments (B)	6,472.62	11,257.00	14,674.99
Net Distributable Cash Flows (C)=(A+B)	8,174.81	13,028.55	17,041.81
Net Distributable Cash Flows as per above	8,174.83	13,028.55	17,041.81
Proportionate principal repayment & interest payment proposed out of opening surplus	2,218.40	4,879.67	735.53
Proposed Total Distribution	10,393.23	8,954.11	17,777.34

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

iv. Krishnagiri Thopur Toll Road Private Limited

Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	6,493.12	5,994.59	4,958.70	10,953.29
Add: Depreciation, impairment and amortisation as per profit and loss account.	2,016.90	1,995.91	1,989.53	3,985.44
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(110.36)	508.79	760.01	1,268.80
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	378.21	400.42	661.77	1,062.19
Less: Capital expenditure, if any	(21.44)	256.24	(256.24)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		26.32	(26.32)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	304.00	240.00	240.00	480.00
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	(4,250.00)	(9,900.00)	-	(9,900.00)
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(4,450.00)	6,395.71	(4,248.71)	2,147.00
Total Adjustments (B)	(6,132.69)	(76.61)	(879.96)	(956.57)
Net Distributable Cash Flows (C) = (A+B)	360.43	5,917.98	4,078.74	9,996.72
Net Distributable Cash Flows as per above	360.43	5,917.98	4,078.74	9,996.72
Proportionate principal repayment & interest payment proposed out of opening surplus	17.78	-	3,196.60	3.24
Proposed Total Distribution	378.21	2,724.62	7,275.34	9,999.96

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCF_s)

v. Devihalli Hassan Tollway Private Limited

Rs. Lakhs				
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(1,016.67)	(1,094.55)	(1,117.35)	(2,211.88)
Add: Depreciation, impairment and amortisation as per profit and loss account.	401.47	400.76	303.30	704.06
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(1,769.63)	905.50	1,205.81	2,111.31
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	1,807.35	1,816.18	1,831.86	3,648.04
Less: Capital expenditure, if any	(44.06)	6.32	(6.32)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	9.66	(9.66)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	281.33	171.46	171.46	342.92
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	350.00	(350.00)	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(25.95)	(719.00)	-	(719.00)
Total Adjustments (B)	650.51	2,940.88	3,146.45	6,087.33
Net Distributable Cash Flows (C)=(A+B)	(366.16)	1,846.35	2,029.10	3,875.45
Net Distributable Cash Flows as per above	(366.16)	1,846.35	2,029.10	3,875.45
Proportionate principal repayment & interest payment proposed out of opening surplus	-	269.83	-	72.60
Proposed Total Distribution	-	2,116.18	1,831.86	3,948.04

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCF_s)

vi. Beawar Pali Pindwara Tollway Private Limited

Rs. Lakhs				
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(26,952.30)	(25,441.05)	(26,610.48)	(52,051.53)
Add: Depreciation, impairment and amortisation as per profit and loss account.	8,964.19	10,721.84	6,515.48	17,237.32
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(17,512.66)	(5,585.84)	88.16	(5,497.68)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	14,071.31	13,830.65	13,855.61	27,686.26
Add: NHAI Interest and NHAI Premium Provision	6,979.28	6,296.14	5,270.33	11,566.47
Less: Capital expenditure, if any	(811.10)	66.27	(66.27)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		6.11	(6.11)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	20,306.41	20,031.33	20,530.24	40,561.57
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments		935.00	(935.00)	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	944.75	7,512.00	-	7,512.00
Less: Total NHAI Premium including interest and principal payment	(18,395.80)	(19,770.56)	(15,867.25)	(35,637.81)
Total Adjustments (B)	14,546.38	34,042.94	29,385.19	63,428.13
Net Distributable Cash Flows (C)=(A+B)	(12,405.92)	8,601.89	2,774.71	11,376.60
Net Distributable Cash Flows as per above	(12,405.92)	8,601.89	2,774.71	11,376.60
Proportionate principal repayment & interest payment proposed out of opening surplus	17,605.92	-	-	-
Proposed Total Distribution	5,200.00	7,765.74	2,499.99	10,265.73

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

vii. Hyderabad-Yadgiri Tollway Private Limited

Rs. Lakhs				
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(461.44)	(646.09)	(1,065.42)	(1,711.51)
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,343.64	1,079.37	1,503.14	2,582.51
Add/ Less: Decrease/(increase) in working capital as per Ind AS 7	567.14	(1,920.61)	(556.37)	(2,476.98)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	3,331.59	3,363.83	3,395.21	6,759.04
Add: NHAI Interest and NHAI Premium Provision	61.30	107.76	229.49	337.25
Less: Capital expenditure, if any	(7.14)	6.69	(6.69)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		90.74	(90.74)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	862.65	973.60	981.95	1,955.55
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements		4,965.00	(765.00)	4,200.00
Less: Total NHAI Premium including interest and principal payment	(1,178.76)	(3,831.68)	(5,656.32)	(9,488.00)
Total Adjustments (B)	4,980.42	4,834.70	(965.33)	3,869.37
Net Distributable Cash Flows (C)=(A+B)	4,518.98	4,188.61	(2,030.75)	2,157.86
Net Distributable Cash Flows as per above	4,518.98	4,188.61	(2,030.75)	2,157.86
Proportionate principal repayment & interest payment proposed out of opening surplus	-	-	4,338.76	2,476.14
Proposed Total Distribution	4,141.01	1,525.99	2,308.01	4,634.00

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

viii. Shreenathji-Udaipur Tollway Private Limited

	Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023	Rs. Lakhs
	Profit / (Loss) after tax as per profit and loss account (A)	(5,365.85)	(7,847.72)	(7,401.22)		(15,248.94)
	Add: Depreciation, impairment and amortisation as per profit and loss account.	1,163.88	933.07	1,282.25		2,215.32
	Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(4,093.12)	368.93	(267.94)		100.99
	Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	7,821.04	7,799.61	7,842.46		15,642.07
	Add: NHAI Interest and NHAI Premium Provision	307.73	262.72	233.72		496.44
	Less: Capital expenditure, if any	(21.16)	6.49	(6.49)		-
	Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to					
	Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	1,914.07	1,901.51	1,890.48		3,791.99
	Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments		(2,450.00)	(350.00)		(2,800.00)
	Less: Total NHAI Premium including interest and principal payment	(1,409.00)	(1,098.01)	(3,104.58)		(4,202.59)
	Total Adjustments (B)	5,683.44	7,724.33	7,519.90		15,244.23
	Net Distributable Cash Flows (C)=(A+B)	317.59	(123.40)	118.68		(4.72)
	Net Distributable Cash Flows as per above	317.59	(123.40)	118.68		(4.72)
	Proportionate principal repayment & interest payment proposed out of opening surplus	3,682.41	-	-		-
	Proposed Total Distribution	4,000.00	(0.00)	0.00		-

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

ix. Bhilwara-Rajsamand Tollway Private Limited

					Rs. Lakhs	
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023		
Profit / (Loss) after tax as per profit and loss account (A)	(2,687.90)	(2,667.20)	(6,510.73)	(9,177.93)		
Add: Depreciation, impairment and amortisation as per profit and loss account.	319.92	4,055.99	351.43	4,407.42		
Add / Less: Decrease / (increase) in working capital as per Ind AS 7	234.90	(178.98)	(406.23)	(585.21)		
Add: Interest accrued on loan / non-convertible debentures issued to IndInfravit	2,490.81	2,473.09	2,478.08	4,951.17		
Less: Capital expenditure, if any	(116.56)	151.59	(151.59)	-		
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to						
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	124.00	126.96	126.96	253.92		
Total Adjustments (B)	3,053.07	6,628.65	2,398.65	9,027.30		
Net Distributable Cash Flows (C)=(A+B)	365.17	3,961.45	(4,112.08)	(150.63)		
Net Distributable Cash Flows as per above	365.17	3,961.45	(4,112.08)	(150.63)		
Proportionate principal repayment & interest payment proposed out of opening surplus	134.83	-	-	-		
Proposed Total Distribution	500.00	(0.00)	0.00	-		

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCF's)

x. Bijapur-Hungund Tollway Private Limited

Rs. Lakhs				
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(2,039.77)	(1,514.01)	(2,640.94)	(4,154.95)
Add: Depreciation, impairment and amortisation as per profit and loss account.	3,688.87	2,883.11	3,723.03	6,606.14
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(497.19)	37.70	(328.60)	(290.90)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	5,283.60	5,495.03	5,582.16	11,077.19
Less: Capital expenditure, if any	(52.85)	5.19	(5.19)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		31.11	(31.11)	-
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	339.20	318.75	318.75	637.50
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSKA requirement under loan agreements	(9.50)	2,714.00	(252.00)	2,462.00
Total Adjustments (B)	8,752.13	11,484.89	9,007.04	20,491.93
Net Distributable Cash Flows (C)=(A+B)	6,712.36	9,970.88	6,366.10	16,336.98
Net Distributable Cash Flows as per above	6,712.36	9,970.88	6,366.10	16,336.98
Proportionate principal repayment & interest payment proposed out of opening surplus	2,276.39	-	638.59	-
Proposed Total Distribution	8,988.75	7,856.20	7,004.69	14,860.89

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xi. Dhule Palesner Tollway Private Limited

					Rs. Lakhs	
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023		
Profit / (Loss) after tax as per profit and loss account (A)	(3,940.38)	(4,674.62)	(4,742.61)	(9,417.23)		
Add: Depreciation, impairment and amortisation as per profit and loss account.	6,685.09	5,989.23	6,001.09	11,990.32		
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(663.58)	(400.11)	(84.15)	(484.26)		
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	8,284.11	8,465.58	8,559.02	17,024.60		
Less: Capital expenditure, if any	(48.38)	98.10	(98.10)	-		
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to						
Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);	157.67	210.74	210.75	421.49		
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(639.86)	3,092.11	(230.11)	2,862.00		
Total Adjustments (B)	13,775.05	17,455.65	14,358.50	31,814.15		
Net Distributable Cash Flows (C)=(A+B)	9,834.67	12,781.03	9,615.89	22,396.92		
Net Distributable Cash Flows as per above	9,834.67	12,781.03	9,615.89	22,396.92		
Proportionate principal repayment & interest payment proposed out of opening surplus	1,934.52	-	4,043.13	1,483.66		
Proposed Total Distribution	11,769.19	10,221.56	13,659.02	23,880.58		

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCF's)

xii. Nagpur - Seoni Expressway Private Limited

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(637.25)	(1,977.69)	(583.33)	(2,561.02)
Add: Depreciation, impairment and amortisation as per profit and loss account.	10.76	8.89	3.25	12.14
Add/ Less: Decrease/(increase) in working capital as per Ind AS 7	891.52	2,774.39	1,186.38	3,960.77
Add: Interest accrued on loan/ non-convertible debentures issued to IndInfraVIT	919.97	917.45	922.49	1,839.94
Less: Capital expenditure, if any	(8.90)	7.49	(7.49)	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	(35.06)	22.84	(22.84)	-
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	0.26	-	-	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	611.00	(611.00)	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(1,105.99)	(95.14)	(891.08)	(986.22)
Total Adjustments (B)	672.56	4,246.92	579.71	4,826.63
Net Distributable Cash Flows (C)=(A+B)	35.31	2,269.23	(3.62)	2,265.61
Net Distributable Cash Flows as per above	35.31	2,269.23	(3.62)	2,265.61
Proportionate principal repayment & interest payment proposed out of opening surplus	414.69	-	-	-
Proposed Total Distribution	450.00	2,290.06	0.00	2,290.06

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xiii. Aurangabad - Jalna Tollway Private Limited

	Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Profit / (Loss) after tax as per profit and loss account (A)	(94.12)	261.17	791.96	1,053.13
	Add: Depreciation, impairment and amortisation as per profit and loss account.	328.21	513.18	284.14	797.32
	Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(722.39)	948.73	(1,303.25)	(354.52)
	Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	1,289.79	1,394.93	1,446.49	2,841.42
	Less: Capital expenditure, if any	(1.81)	13.91	(13.91)	-
	Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
	(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;		0.47	(0.47)	-
	Add: Interest cost as per effective interest rate method (difference between accrued and actual paid);		20.20	20.19	40.39
	Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements		1,000.00	-	1,000.00
	Total Adjustments (B)	893.80	3,891.42	433.19	4,324.61
	Net Distributable Cash Flows (C)=(A+B)	799.68	4,152.59	1,225.15	5,377.74
	Net Distributable Cash Flows as per above	799.68	4,152.59	1,225.15	5,377.74
	Proportionate principal repayment & interest payment proposed out of opening surplus	1,114.53	-	221.34	-
	Proposed Total Distribution	1,914.21	3,452.08	1,446.49	4,898.57

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFfs)

xiv. Mysore-Bellary Highway Private Limited

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	1,700.06	1,800.64	(1,810.81)	(10.17)
Add: Depreciation, impairment and amortisation as per profit and loss account.	13.46	12.74	4.42	17.16
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(2,374.02)	5,110.97	7,589.23	12,700.20
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	324.36	434.77	505.38	940.15
Less: Capital expenditure, if any	(4.06)	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	76.43	(1,428.43)	(501.57)	(1,930.00)
Total Adjustments (B)	(1,963.83)	4,130.05	7,597.46	11,727.51
Net Distributable Cash Flows (C)=(A+B)	(263.77)	5,930.69	5,786.65	11,717.34
Net Distributable Cash Flows as per above	(263.77)	5,930.69	5,786.65	11,717.34
Proportionate principal repayment & interest payment proposed out of opening surplus	3,377.62	-	1,329.65	-
Proposed Total Distribution	3,113.85	3,440.68	7,116.30	10,556.98

a. Statement of Net Distributable Cash Flows (NDCFs)

xv. Mumbai Nasik Expressway Private Limited*

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	2,677.52	-	-	-
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,887.62	-	-	-
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(2,698.37)	-	-	-
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraivit	1,026.10	-	-	-
Add: NHAI Interest and NHAI Premium Provision	264.44	-	-	-
Less: Capital expenditure, if any	-	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to	-	-	-	-
(i) interest cost as per effective interest rate method (difference between accrued and actual paid);	151.50	-	-	-
(ii) deferred tax;	(471.45)	-	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	255.00	-	-	-
Total Adjustments (B)	414.84	-	-	-
Net Distributable Cash Flows (C)=(A+B)	3,092.36	-	-	-
Net Distributable Cash Flows as per above	3,092.36	-	-	-
Proportionate principal repayment & interest payment proposed out of opening surplus	1,058.74	-	-	-
Proposed Total Distribution	4,151.10	-	-	-

*Subsidiary from June 15, 2023

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xvi. Kosi Bridge Infrastructure Company Private Limited*

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	29.23	-	-	-
Add: Depreciation, impairment and amortisation as per profit and loss account.	0.93	-	-	-
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(673.89)	-	-	-
Add: Interest accrued on loan/ non-convertible debentures issued to IndInfraVIT	535.52	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-	-	-
Total Adjustments (B)	(137.44)	-	-	-
Net Distributable Cash Flows (C)=(A+B)	(108.21)	-	-	-
Net Distributable Cash Flows as per above	(108.21)	-	-	-
Proportionate principal repayment & interest payment proposed out of opening surplus	1,351.73	-	-	-
Proposed Total Distribution	1,243.52	-	-	-

*Subsidiary from June 15, 2023

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xvii. Rayalseema Expressway Private Limited*

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(5,732.16)	-	-	-
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,052.15	-	-	-
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(1,838.46)	-	-	-
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	7,111.45	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) interest cost as per effective interest rate method (difference between accrued and actual paid);	361.46	-	-	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	(1,414.45)	-	-	-
Total Adjustments (B)	5,272.15	-	-	-
Net Distributable Cash Flows (C)=(A+B)	(460.01)	-	-	-
Net Distributable Cash Flows as per above	(460.01)	-	-	-
Proportionate principal repayment & interest payment proposed out of opening surplus	1,406.28	-	-	-
Proposed Total Distribution	946.27	-	-	-

*Subsidiary from June 15, 2023

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xviii. Simhapuri Expressway Limited*

		Rs. Lakhs		
Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(2,706.27)	-	-	-
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,532.54	-	-	-
Add/ Less: Decrease/ (increase) in working capital as per Ind AS 7	708.70	-	-	-
Add: Interest accrued on loan/ non-convertible debentures issued to IndInfravit	11,250.81	-	-	-
Less: Capital expenditure, if any	(2.24)	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) interest cost as per effective interest rate method (difference between accrued and actual paid);	526.91	-	-	-
(ii) deferred tax;	568.57	-	-	-
Less: Total NHAI Premium including interest and principal payment		-	-	-
Total Adjustments (B)	14,585.29	-	-	-
Net Distributable Cash Flows (C)=(A+B)	11,879.02	-	-	-
Net Distributable Cash Flows as per above	11,879.02	-	-	-
Proportionate principal repayment & interest payment proposed out of opening surplus	9,406.79	-	-	-
Proposed Total Distribution	21,285.81	-	-	-

*Subsidiary from June 15, 2023

IndInfraVIT Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

a. Statement of Net Distributable Cash Flows (NDCFs)

xix. IndInfraVIT Project Managers Private Limited

Particulars	Rs. Lakhs			
	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) after tax as per profit and loss account (A)	(27.50)	(93.49)	-	(93.49)
Add: Depreciation, impairment and amortisation as per profit and loss account.	101.25	13.54	-	13.54
Add/ Less: Decrease/(increase) in working capital as per Ind AS 7	163.78	228.57	-	228.57
Add: Interest accrued on loan/non-convertible debentures issued to IndInfraVIT	13.00	1.25	-	1.25
Less: Capital expenditure, if any	(81.49)	-	-	-
Add / less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to				
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	78.47	-	78.47
(ii) unwinding of interest cost on interest free loan or other debentures;	20.09	2.79	-	2.79
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	(190.00)	(232.00)	-	(232.00)
Total Adjustments (B)	26.63	92.62	-	92.62
Net Distributable Cash Flows (C)=(A+B)	(0.87)	(0.87)	-	(0.87)
Net Distributable Cash Flows as per above	(0.87)	(0.87)	-	(0.87)
Proportionate principal repayment & interest payment proposed out of opening surplus	0.87	-	-	-
Proposed Total Distribution	-	-	-	-

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DBS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

b Contingent Liabilities

Particulars	Rs. Lakhs		
	As at September 30, 2023	As at March 31, 2023	As at September 30, 2022
a) Negative change of scope (net of positive change of scope)	15,352.02	15,352.02	15,352.01
b) Disputed claims with EPC contractor	8,770.48	8,770.48	8,770.48
c) Claims made by NHAI for non-maintenance of Highway / non-completion of works as per concession agreement	1,799.21	1,799.21	23,297.06
d) Income-tax liability that may arise in respect of which is under Appeal / TDS demand by TRACES	4,288.50	3,640.18	2,710.65
e) Clause 26.3 of the Concession agreement, NHAI's demand of additional concession fee	478.00	478.00	502.65
f) Guarantee issued by bank to the lenders of term loans	14,000.00	14,000.00	-
g) Damages for delay in rectification of bitumen material	139.54	139.54	139.54
h) Damages for delay in rectification works	3.10	3.10	3.10
i) Damages for delay in rectification of shoulder works	12.16	12.16	12.16
j) GST liability that may arise in respect of matters in appeal	1.06	-	-
k) Interest on delayed remittance or non-remittance of amounts payable to NHAI towards penalty amount collected from toll users	43.74	-	-
l) Property Tax demad by municipal corporation	9.66	-	-
m) Non-Compliance of O&M Requirements	1,611.55	-	-
Total	46,509.02	44,194.70	50,787.65

c Commitments

Particulars	Rs. Lakhs		
	As at September 30, 2023	As at March 31, 2023	As at September 30, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	5,710.83	14,962.89	24,691.80

d Statement of Earnings per unit

Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
Profit / (Loss) for the period (Rs. Lakhs)	(2,843.29)	(25,740.68)	(14,314.46)	(40,055.14)
Number of units outstanding for computation of basic and diluted earning per unit (No. Lakhs)	9,040.51	6,204.11	6,204.11	6,204.11
Earnings per unit (Basic and Diluted) (Rs. Per unit)	(0.31)	(4.15)	(2.31)	(6.46)

e Related Party Disclosures
I List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"
A Post-employment benefit plans for the benefit of Employees of Reporting entity or entity related to the reporting entity

IndInfravit Spvs Employees Gratuity Trust
LTIDPL IndvIT Services Limited Employees Gratuity Trust

II List of additional related parties
A Parties to the Trust

L&T Infrastructure Development Projects Limited (L&T IDPL) - Sponsor of the Trust
LTIDPL IndvIT Services Limited (LTIDPL IndvIT) - Investment Manager (IM) of the Trust
IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust
IndInfravit Project Managers Private Limited (IPMPL) - Project Manager for SPVs (formerly Sadbhav PIMA Private Limited)

B Promoters of the parties to the Trust specified in II(A) above

Larsen & Toubro Limited (L&T) - Promoter of L&T IDPL
CPPIB India Private Holdings Inc (CPPIB) - Promoter of L&T IDPL
L&T Infrastructure Development Projects Limited (L&T IDPL) - Promoter of LTIDPL IndvIT
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL
Life Insurance Corporation of India (LIC) - Promoter of ITSL
General Insurance Corporation of India - Promoter of ITSL

C Directors of the parties to the Trust specified in II(A) above
(i) Directors of L&T IDPL

Mr. R. Shankar Raman
Mr. Pushkar Vijay Kulkarni
Mr. Sudhakar Rao
Mr. Dip Sen Kishore
Ms. Vijayalakshmi Rajaram Iyer
Mr. Prof. Amirthalingam Veeraragavan

(iii) Directors of IPMPL

Mr. Pawan Kant
Mr. Gaurav Khanna

(iv) Directors of ITSL

Ms. Jayashree Vijay Ranade
Mr. Pradeep Kumar Jain
Mr. Jaykumar S. Pillai
Mr. Pradeep Kumar Malhotra
Mr. Baljinder Kaur Mandal

(ii) Directors of LTIDPL IndvIT

Mr. Pushkar Vijay Kulkarni
Ms. Anjali Gupta
Ms. Delphine Voeltzel
Mr. Pramod Sushila Kapoor
Mr. Ashwin Mahalingam
Mrs. Monisha Prabhu Macedo
Mrs. Samyuktha Surendran
Mrs. Neera Saggi
Mr. Sanjay Ubale
Mr. Ravindran Shanmugakani

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

III Transactions with related parties during the period
Rs. Lakhs

S. No.	Particulars	Six months ended September 30, 2023	Six months ended March 31, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
1	Investment Manager Fee - Expense LTIDPL IndvIT	1,450.81	2,212.94	2,393.00	4,605.94
2	Trusteeship Fee - Expense ITSL	26.20	6.13	24.49	30.62
3	a. Payment made against share consideration SIPL	-	-	400.00	400.00
	b. Purchase of equity shares SIPL	-	115.00	-	115.00
4	Distribution SIPL	-	236.68	389.31	625.99
	L&T IDPL	-	2,396.44	942.80	3,339.24
		-	2,633.12	1,332.11	3,965.23
5	Purchase of goods and services incl. taxes, if any L&T IDPL - Project Manager fees		861.87	1,192.36	2,054.23
	LIC	0.49	-	-	-
	SIPL - Project Manager fees		0.42	123.46	123.88
	SIPL - Other service fees		1,954.46	2,252.53	4,206.99
	IPMPL - Project Manager fees		116.76	241.29	358.05
		0.49	2,933.51	3,809.64	6,743.15
6	Reimbursement of expenses to L&T	-	1,007.18	185.38	1,192.56
	L&T IDPL	-	-	-	-
	LTIDPL IndvIT	5.02	96.26	24.10	120.36
	SIPL	-	5.19	-	5.19
	IndInfravit Employees Gratuity Trust	-	-	-	-
	Mr. Gaurav Khanna	0.38	0.31	-	0.31
		5.40	1,108.94	209.48	1,318.42
7	Reimbursement of expenses from LTIDPL IndvIT	39.93	683.72	541.54	1,225.26
	L&T IDPL	2.00	88.26	-	88.26
	IPMPL	-	55.33	62.10	117.43
	SIPL	-	16.75	142.67	159.42
		41.93	844.06	746.31	1,590.37
8	Sale of Property, Plant & Equipment LTIDPL IndvIT	-	-	0.77	0.77
9	Contribution to Post Employment Plan IndInfravit Employees Gratuity Trust	-	25.64	0.43	26.07

IndInfravit Trust

Additional disclosures as required by paragraph 4.6 of Chapter 4 to the SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 SEBI dated July 06, 2023

IV Outstanding balances at**Rs. Lakhs**

S. No.	Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023
1	Investment Manager Fee - Payable LTIDPL IndvIT	1,307.39	322.34	881.40
2	Trusteeship Fee - Payable ITSL	-	23.60	-
3	Share purchase consideration payables SIPL	-	3,829.35	-
4	Other payable L&T IDPL	-	673.87	112.12
	LTIDPL IndvIT	115.85	22.43	87.52
	SIPL	-	2,024.73	-
	IPMPL	-	42.54	-
	Sadbhav Engineering Limited	-	188.73	-
		115.85	2,952.30	199.64
5	Other receivable LTIDPL IndvIT	147.99	118.55	463.68
	SIPL	-	679.96	-
	IPMPL	-	43.61	-
	IndInfravit Employees Gratuity Trust	2.00	2.00	9.11
		149.99	844.12	472.79

For and on behalf of the Board of Interise Investment Managers Limited
(formerly known as LTIDPL IndvIT Services Limited)
(Investment Manager of IndInfravit Trust)

Alcyon
Director



Place: Mumbai
Date: Nov 07, 2023

Details of Assets

1. The Aurangabad - Jalna Toll Way Private Limited (AJTPL) Project
The AJTPL Concession Agreement

Tolls: *AJTPL* is entitled to levy, collect and appropriate tolls from the commercial operational date of the AJTPL Project until the end of the concession period accordance with the toll rates given section-8. The toll rates will be notified by government of Maharashtra under the Bombay motor vehicle tax act 1958.

The scope of AJTPL is providing four laning to Aurangabad Jalna road (Km.10/400 to 60/200) & Zalta Bypass Km. 292/500 to 305/650 on the basis of built operate transfer. After the concession period is over, the toll booths, offices with all equipment's, accessories, furniture and fixtures shall be handed over to the government. The entrepreneur shall give concession to users as per the Toll Notification.

The government reserve the rights to reduce the toll rates in consultation with AJTPL at any time once during the concession period up to 10% of prevailing toll rates. In that event, the remaining concession period will be adjusted based on the cash flow submitted by the AJTPL along with the bid duly considering the category of the vehicles.

Negative Grant: NA

Expected Risks: In case the work is damaged, due to any of the excepted risks listed below and if the insurance taken out by the AJTPL does not cover damages due to such excepted risks, then the Government shall compensate the AJTPL for the damage due to such excepted risks in a manner as may be decided by the Government. Such compensation shall be in any form as may be decided by the Government, including extension in concession period.

Cancellation of Contract in part or in Full: On Cancellation of Contract in full or in part, the Government shall prepare valuation of project based on D.S.R plus 15% charges. The AJTPL shall receive only 90% of the valuation amount prepared by the Government.

Variation: in the form of scope of work or any such variation, the target date and project cost shall be adjusted by modifying the concession period. All the items included in the variation order shall be valued at the rates of item included with this agreement & absence of these rates at DSR rates prevailing at the time of variation order plus 15 percent. Suitable rates or price for items not covered in DSR shall be agreed between superintending engineer and AJTPL.

Exemption for users:

O&M: The entrepreneur i.e., AJTPL shall operate and maintain the Project and Project facilities by itself or through a contractor including by modifying, repairing or otherwise making improvements to comply with the requirements set out in the AJTPL Concession agreement.

AJTPL shall be responsible for:

- Ensuring smooth and uninterrupted flow of traffic during normal operating condition.
- Charging, collecting and appropriating Toll in accordance with the toll notification and this agreement.
- Minimizing disruption to traffic in the event of accidents or other incidents affecting the use of project and project facilities.
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage.
- Undertaking maintenance work in accordance with maintenance manual and maintenance programme.

Maintenance manual: AJTPL requires to, in consultation with Engineer In-charge evolve maintenance manual for regular and preventive maintenance and shall ensure and procure that at all times during the operation period, the project is maintained in a manner that it complies with specifications and standard.

Maintenance Programme: AJTPL is required to provide its proposed annual maintenance programme of preventive and other scheduled maintenance of the project to the AJTPL Engineer In-charge/ Executive Engineer. Such maintenance programme shall include following:

- Intervals and procedures for carrying out of inspection of all elements of the projects.
- Criteria to be adopted for deciding maintenance needs.
- Preventive maintenance schedule.

Maintenance shall include replacement of equipment, consumables, horticultural maintenance and repairs to equipment, pavements, bridges, structures and other civil works which are part of the project/project facilities.

Taking over of Facility during Concession Period: The Government reserves absolute right to takeover the Project at any time during Concession Period and in such event AJTPL shall be compensated for unrecovered amount as per the details furnished by him in the accepted Cash-Flow.

Escalation: The Concession Period will be adjusted to cover additional amount payable on account of variation in rates of bitumen. The Engineer on the basis of such record shall determine the extra cost payable to the AJTPL as per the following formula.

Vb R (B1-B0)

Where,

Vb – Additional amount rates of bitumen. ial account of variation in

B0 – The average official retail price of bitumen at the IOC depot at Mumbai on the day, 30 days prior to date of opening of bids.

B1 – The average official retail price of bitumen at the IOC depot at Mumbai for the 15th day of the middle calendar month of the month under consideration.

R – Quantity of bitumen consumed for the period under Consideration.

Escrow account: NA.

Indemnification: The Entrepreneur shall indemnify the Government against all actions, suits, claims and demands including infringement of patent rights, brought or made against it, in respect of anything done or omitted to be done by the Entrepreneur in connection with the execution of the project and against any loss or damage to the Government in consequence of any action or suit being brought against the Entrepreneur for anything done or omitted to be done by the Entrepreneur in the execution, operation and maintenance of the work.

Defect liability period: defect liability for road /bridge work shall be equal to the concession period.

Force majeure: if at any time during the execution /completion of project, the AJTPL is not able to proceed with construction /completion of the project beyond a period of one month due to any reason beyond his control such as fire, earthquake, flood, storm or any other such calamity, riots, civil commotion, the government shall compensate for such loss.

2. The Bijapur- Hungund Tollway Private Limited (BHTPL) Project

The BHTPL Concession Agreement

Tolls: BHTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the BHTPL Project until the end of the concession period (the “**BHTPL Operations Period 20 years**”). The toll rates will be determined in accordance with the fees detailed in the BHTPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require BHTPL to perform additional work and services during the BHTPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the BHTPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: The BHTPL shall not collect any fee from Local Users for non-commercial use of the Project Highway, and shall issue a pass in respect thereof for commuting on a section of the Project Highway as specified in such pass and for crossing toll plaza specified therein.

O&M: BHTPL is required to, among other things, operate and maintain the BHTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the BHTPL Project to comply with the requirements set out in the BHTPL Concession Agreement. BHTPL’s O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the BHTPL Concession Agreement;
- minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the BHTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: BHTPL is required to, in consultation with the independent consultant appointed by the NHAI (the “**BHTPL Independent Consultant**”), prepare a repair and maintenance manual (the “**BHTPL Maintenance Manual**”) for the regular and preventive maintenance of the BHTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the BHTPL Concession Agreement.

Maintenance Program: BHTPL is required to provide the NHAI and the BHTPL Independent Consultant a program for preventive and other scheduled maintenance of the BHTPL Project (the “**BHTPL Maintenance Program**”) to ensure compliance with the BHTPL Maintenance Manual. The BHTPL Maintenance Program will include. (i) intervals and procedures for carrying out inspection of the BHTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) Preventive maintenance schedule; (iv) intervals at which BHTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) Lane closure schedules for each type of maintenance. The BHTPL evolve a repair and maintenance manual for regular and preventive maintenance of the project highway in conformity with the specification and standard, in consultation with Independent Engineer. BHTPL provide maintenance program prior to the beginning of accounting year no later than 45(forty-five) days.

Remedial measures: The BHTPL shall repair or rectify defect of deficiencies if any set forth in O&M report or in test result referred to in clause 19.3 and furnish a report in respect

thereof to the Independent Engineer and NHAI within 15 (Fifteen) days of receiving the O&M inspection report. In the event that BHTPL fails to maintain or repair the BHTPL Project in accordance with the specifications and standards set out in the BHTPL Concession Agreement, the BHTPL Maintenance Manual or the BHTPL Maintenance Program, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the BHTPL Project at the risk and cost of BHTPL and recover such cost, in addition to 20.0% of the cost as damages, from BHTPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the BHTPL Operations Period: BHTPL will, within seven days after the end of a month, provide monthly reports to the NHAI and BHTPL Independent Consultant. The BHTPL Independent Consultant will inspect the BHTPL Project at least once a month and submit reports of such inspection (the “**BHTPL O&M Inspection Report**”) to the NHAI and BHTPL. BHTPL is thereafter required to remedy defects and deficiencies as set out in the BHTPL O&M Inspection Report within 15 days from the receipt of such BHTPL O&M Inspection Report, failing which, BHTPL will submit progress reports of such work once a week. BHTPL will also undertake tests if such tests are specified in the BHTPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by BHTPL do not conform to the requirements set out in the BHTPL O&M Inspection Report.

Modification of the Concession Period: Traffic on the BHTPL Project on October 1, 2020 (the “**Target Date**”) is estimated to be 39,338 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. BHTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Construction of Additional Tollway: Under the concession agreement the authority shall not construct and shall procure that no government road between inter alia i.e. km.102.000 to km. 202.000 on national Highway no.13 for use by traffic at any time before 12th anniversary of the Appointed Date. For the avoidance of doubts, additional Tollway does not include any expressway or other toll road connecting inter alia km.102.000 to km. 202.000 on national Highway no.13, if the length of such expressway or toll road exceeds the length of existing route comprising the project Highway by 20% thereof.

Augmentation of capacity: NA

Limitations on shareholding changes: NA

Insurance: BHTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the BHTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by BHTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from BHTPL.

Escrow account: BHTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**BHTPL Escrow Agreement**”). The BHTPL Concession Agreement provides that funds from the BHTPL Project’s lenders, tolls collected and Disbursements or payments by the NHAI in exercise of its rights under the BHTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The BHTPL shall deposit or

cause to be deposited the following inflow and receipts into the Escrow Account.

- All funds constituting the financial packages.
- All fee and any other revenues from or in respect Highway, including the proceeds of any rentals, deposits, capital receipts or insurance claims.
- All payments by the NHAI, after deduction of any outstanding concession fee.

Upon termination of the BHTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by BHTPL in respect of the BHTPL Project;
- 90% (Ninety percent) of Debt Due excluding Subordinated Debt.
- All the payment and damages certified by the Authority as due and payable to it by the BHTPL, including repayment of revenue Shortfall Loan.
- Retention and payments relating liability for defect.
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: BHTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the **"NHAi Indemnified Persons"**) against any and all loss and damages arising out of BHTPL's failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by BHTPL without reimbursement under the BHTPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to BHTPL or its contractors which are payable by any such party. In addition, BHTPL will indemnify the NHAi Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by BHTPL or its contractors. BHTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. BHTPL will also promptly make every reasonable effort to secure a license for the NHAI, at its own cost, failing which, BHTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the BHTPL Project have step-in rights to substitute BHTPL in the event BHTPL breaches or defaults under the BRTPL Concession Agreement provided that the NHAI will give 90 days to BHTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and BHTPL will bear their respective cost; (ii) an indirect political event, BHTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to BHTPL; and (iii) a political event, the NHAI will reimburse force majeure costs attributable to such event.

In the event of termination of the BHTPL Concession Agreement, the NHAI is required to make termination payments to BHTPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the BHTPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
2. An indirect political event, the NHAI shall make a termination payment to the BHTPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be

- included in the computation of the debt due;
- b. 110.0% of the Adjusted Equity
3. If the termination is on the account of a Political Event, the authority shall make a Termination payment to the BHTPL in an amount payable under Clause 37.3.2 as if it were an Authority Default.

Compensation for breach of the BHTPL Concession Agreement: In the event of the BHTPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation, all direct costs suffered or incurred by the NHAI as a consequences of such material default or breach, within 30 (Thirty) days of receipt of the demand supported by necessary particulars thereof, provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The BHTPL Concession Agreement may be terminated on the occurrence of BHTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the BHTPL Concession Agreement. BHTPL will be deemed to be in default of the BHTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- BHTPL fails to achieve financial close (as defined in the BHTPL Concession Agreement) in accordance with the terms of the BHTPL Concession Agreement;
- BHTPL fails to achieve any milestones (as described in the BHTPL Concession Agreement) within the period set out in the BHTPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- BHTPL is in material breach of the BHTPL Concession Agreement;
- BHTPL defaults as a result of its failure to comply with the terms and conditions of the BHTPL Concession Agreement, and in respect of defaults with cure periods, BHTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits BHTPL to put forward a program with details for remedying any breach within 15 days of notice by NHAI;
- BHTPL creates any encumbrance, charge or lien, in breach of the BHTPL Concession Agreement;
- there is a transfer of either (i) the rights and/or obligations of BHTPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of BHTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of BHTPL to perform and BHTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of BHTPL for the voluntary winding up of BHTPL;
- BHTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for BHTPL or on any of its property that has a material bearing on the BHTPL Project;
- any petition for the winding up of the BHTPL is admitted by a court of competent jurisdiction or the BHTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the BHTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of BHTPL under the BHTPL Concession Agreement and the BHTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the BHTPL Concession Agreement and project agreements by the BHTPL; (ii) such entity has the financial standing to perform its obligations under the BHTPL Concession

Agreement and project agreements by the BHTPL and has a credit worthiness at least as good as BHTPL as of the financial close (as defined in the BHTPL Concession Agreement); and (iii) each project agreement by the BHTPL remains in full force and in effect;

- a material breach of any of the project agreements by BHTPL;
- an event of default by BHTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- BHTPL abandons the operations of the BHTPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- BHTPL repudiates the BHTPL Concession Agreement or otherwise conveys an intention not to be bound by the BHTPL Concession Agreement;
- a material adverse effect occurs on the BHTPL Project which continues for 15 days from the date of such occurrence;
- BHTPL fails to make any payment due to the NHAI within the period specified in the CA; or
- BHTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the BHTPL Concession Agreement) in accordance with the BHTPL Concession Agreement.

Upon an event of default by BHTPL following which the NHAI terminates the BHTPL Concession Agreement, the NHAI will pay BHTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

BHTPL may terminate the BHTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the BHTPL Concession Agreement, causing a material adverse effect on BHTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the BHTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the Gol, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of BHTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to BHTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which BHTPL terminates the BHTPL Concession Agreement, the NHAI will pay BHTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the Adjusted Equity.

Defects liability after termination: The BHTPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120(one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that BHTPL fails to repair or rectify such defect or deficiency within a period of 15

(fifteen) days from the date of notice issued by the NHAI on this behalf, The NHAI shall be entitled to get the same repaired or rectified at the BHTPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

3. The Bhilwara- Rajsamand Tollway Private Limited (BRTPL) Project The BRTPL Concession Agreement

Tolls: BRTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the BRTPL Project until the end of the concession period (the "**BRTPL Operations Period 30 years**"). The toll rates will be determined in accordance with the fees detailed in the BRTPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require BRTPL to perform additional work and services during the BRTPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the BRTPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: The BRTPL shall not collect any fee from Local Users for non-commercial use of the Project Highway, and shall issue a pass in respect thereof for commuting on a section of the Project Highway as specified in such pass and for crossing toll plaza specified therein.

O&M: BRTPL is required to, among other things, operate and maintain the BRTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the BRTPL Project to comply with the requirements set out in the BRTPL Concession Agreement. BRTPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the BRTPL Concession Agreement;
- minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the BRTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements (once every five years), repairs to structures and refurbishment of tolling systems, hardware (such as the highway traffic management systems which must have a service life of 10 years) and other equipment.

Maintenance Manual: BRTPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**BRTPL Independent Consultant**"), prepare a repair and maintenance manual (the "**BRTPL Maintenance Manual**") for the regular and periodic maintenance of the BRTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the BRTPL Concession Agreement.

Maintenance Program: BRTPL is required to, in consultation with the BRTPL Independent Consultant, provide the NHAI a program for preventive and other scheduled maintenance of the BRTPL Project (the "**BRTPL Maintenance Program**") to ensure compliance with the

BRTPL Maintenance Manual. The BRTPL Maintenance Program will include (i) intervals and procedures for carrying out inspection of the BRTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) Preventive maintenance schedule; (iv) intervals at which BRTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) Lane closure schedules for each type of maintenance.

Remedial measures: In the event that BRTPL fails to maintain or repair the BRTPL Project in accordance with the specifications and standards set out in the BRTPL Concession Agreement, the BRTPL Maintenance Manual or the BRTPL Maintenance Program, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the BRTPL Project at the risk and cost of BRTPL and recover such cost, in addition to 20.0% of the cost as damages, from BRTPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the BRTPL Operations Period: BRTPL will undertake periodic inspection of the BRTPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the “**BRTPL Maintenance Report**”) to the NHAI and the BRTPL Independent Consultant. The BRTPL Independent Consultant will review the BRTPL Maintenance Report and submit a report (the “**BRTPL O&M Inspection Report**”) to the NHAI and BRTPL. BRTPL is thereafter required to remedy defects and deficiencies as set out in the BRTPL O&M Inspection Report within the timelines stipulated in Schedule-K (Maintenance Requirements). BRTPL will also undertake tests if such tests are specified in the BRTPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and BRTPL Independent Consultant. In addition, BRTPL will provide the NHAI with a statement of fees once a month.

Construction of Additional Tollway: Under the concession agreement that authority shall not construct and shall procure that no government road between inter alia Rajsamand – Bhilwara i.e. km.0.000 to km. 87.250 on national Highway no.758 for use by traffic at any time before 18th anniversary of the appointed Date. For the avoidance of doubts, additional Tollway does not include any expressway or other toll road connecting inter alia Rajasamand –Bhilwara i.e.,0.000 to km.87.250 on National Highway No.758 if the length of such expressway or toll road exceeds the length of existing route comprising the project Highway by 20% thereof.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the BRTPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which BRTPL will be given an option to participate. If BRTPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that BRTPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the BRTPL Concession Agreement upon paying the termination payment to BRTPL.

Limitations on shareholding changes: NA

Insurance: BRTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the BRTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by BRTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from BRTPL.

Escrow account: BRTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**BRTPL Escrow Agreement**”). The BRTPL Concession Agreement provides that funds from the BRTPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of

its rights under the BRTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The BRTPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- All funds constituting the financial packages.
- All fee and any other revenues from or in respect Highway, including the proceeds of any rentals, deposits, capital receipts or insurance claims.

Upon termination of the BRTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by BRTPL in respect of the BRTPL Project;
- 90% (Ninety percent) of Debt Due excluding Subordinated Debt.
- All the payment and damages certified by the Authority as due and payable to it by the BRTPL, including repayment of revenue Shortfall Loan.
- Retention and payments relating liability for defect.
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: BRTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of BRTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by BRTPL without reimbursement under the BRTPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to BRTPL or its contractors which are payable by any such party. In addition, BRTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by BRTPL or its contractors. BRTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. BRTPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, BRTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the BRTPL Project have step-in rights to substitute BRTPL in the event BRTPL breaches or defaults under the BRTPL Concession Agreement provided that the NHAI will give 90 days to BRTPL to cure such breach or default.

Modification of the Concession Period: *Target* Traffic for the BRTPL Project on October 1, 2022 (the “**Target Date**”) is estimated to be 16209 PCUs per day (“**Traffic Target**”). The actual traffic on the Target Date shall be derived by computing the average of the traffic as determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date (the “**Actual Average Traffic**”). In the event that the Actual Average Traffic shall have fallen short of the Target Traffic, then for every 1% (one per cent) shortfall as compared to the Target Traffic, the Concession Period shall, subject to payment of Concession Fee in accordance with this Agreement, be increased by 1.5% (one point five per cent) thereof; provided that such increase in Concession Period shall not in any case exceed 20% (twenty per cent) of the Concession Period.

Force majeure: In the event of (i) a non-political event, the NHAI and BRTPL will bear their respective cost; (ii) an indirect political event, BRTPL will bear such cost covered by

insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to BRTPL; and (iii) a political event, the NHAI will reimburse all force majeure costs attributable to such force majeure event.

In the event of termination of the BRTPL Concession Agreement, the NHAI is required to make termination payments to BRTPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the BRTPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
2. An indirect political event, the NHAI shall make a termination payment to the BRTPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due;
 - b. 110.0% of the Adjusted Equity.
3. If the termination is on the account of a Political Event, the authority shall make a Termination payment to the BRTPL in an amount payable under Clause 37.3.3 as if it were an Authority Default.

Compensation for breach of the BRTPL Concession Agreement: In the event of the BRTPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation, all direct costs suffered or incurred by the NHAI as a consequences of such material default or breach, within 30 (Thirty) days of receipt of the demand supported by necessary particulars thereof, provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The BRTPL Concession Agreement may be terminated on the occurrence of BRTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the BRTPL Concession Agreement. BRTPL will be deemed to be in default of the BRTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- BRTPL fails to achieve financial close (as defined in the BRTPL Concession Agreement) in accordance with the terms of the BRTPL Concession Agreement;
- BRTPL fails to achieve any milestones (as described in the BRTPL Concession Agreement) within the period set out in the BRTPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- BRTPL is in material breach of the BRTPL Concession Agreement;
- BRTPL defaults as a result of its failure to comply with the terms and conditions of the BRTPL Concession Agreement, and in respect of defaults with cure periods, BRTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits BRTPL to put forward a program with details for remedying any breach within 15 days of notice by NHAI;
- BRTPL creates any encumbrance, charge or lien, in breach of the BRTPL Concession Agreement;
- the shareholding of L&T and its associates falls below the minimum prescribed limits under the BRTPL Concession Agreement and such default is not cured within 90 days of its occurrence;
- there is a transfer of either (i) the rights and/or obligations of BRTPL under any of the

project agreements or (ii) of all or material part of the assets or undertaking of BRTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of BRTPL to perform and BRTPL has the financial and technical capacity to perform its material obligations under the project agreements;

- a resolution is passed by the shareholders of BRTPL for the voluntary winding up of BRTPL;
- BRTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for BRTPL or on any of its property that has a material bearing on the BRTPL Project;
- any petition for the winding up of the BRTPL is admitted by a court of competent jurisdiction or the BRTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the BRTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of BRTPL under the BRTPL Concession Agreement and the BRTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the BRTPL Concession Agreement and project agreements by the BRTPL; (ii) such entity has the financial standing to perform its obligations under the BRTPL Concession Agreement and project agreements by the BRTPL and has a credit worthiness at least as good as BRTPL as of the financial close (as defined in the BRTPL Concession Agreement); and (iii) each project agreement by the BRTPL remains in full force and in effect;
- a material breach of any of the project agreements by BRTPL;
- an event of default by BRTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- BRTPL abandons the operations of the BRTPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- BRTPL repudiates the BRTPL Concession Agreement or otherwise conveys an intention not to be bound by the BRTPL Concession Agreement;
- a material adverse effect occurs on the BRTPL Project which continues for 15 days from the date of such occurrence;
- BRTPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or
- BRTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the BRTPL Concession Agreement) in accordance with the BRTPL Concession Agreement.

Upon an event of default by BRTPL following which the NHAI terminates the BRTPL Concession Agreement, the NHAI will pay BRTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

BRTPL may terminate the BRTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the BRTPL Concession Agreement, causing a material adverse effect on BRTPL and such breach is not rectified within the cure period;

- the NHAI repudiates the BRTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the GoI, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of BRTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to BRTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which BRTPL terminates the BRTPL Concession Agreement, the NHAI will pay BRTPL an amount equal to the sum of (1) Debt due, and (3) 150.0% of the Adjusted equity.

Defects liability after termination: The BRTPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120(one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that BRTPL fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the NHAI I this behalf, The NHAI shall be entitled to get the same repaired or rectified at the BRTPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

4. The Dhule Palesner Tollway Private Limited (DPTPL) Project

The DPTPL Concession Agreement

Tolls: DPTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the DPTPL Project until the end of the concession period (the "**DPTPL Operations Period 18 years**"). The toll rates will be determined in accordance with the fees detailed in the DPTPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require DPTPL to perform additional work and services during the DPTPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the DPTPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: The DPTPL shall not collect any fee from Local Users for non-commercial use of the Project Highway, and shall issue a pass in respect thereof for commuting on a section of the Project Highway as specified in such pass and for crossing toll plaza specified therein.

O&M: DPTPL is required to, among other things, operate and maintain the DPTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the DPTPL Project to comply with the requirements set out in the DPTPL Concession Agreement. DPTPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the DPTPL Concession Agreement;

- minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the DPTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware (such as the highway traffic management systems which must have a service life of 10 years) and other equipment.

Maintenance Manual: DPTPL is required to, in consultation with the independent consultant appointed by the NHAI (the “**DPTPL Independent Engineer**”), prepare a repair and maintenance manual (the “**DPTPL Maintenance Manual**”) for the regular and preventive maintenance of the DPTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the DPTPL Concession Agreement.

Maintenance Program: DPTPL is required to, provide the NHAI and the Independent Engineer a program for preventive and other scheduled maintenance of the DPTPL Project (the “**DPTPL Maintenance Program**”) to ensure compliance with the DPTPL Maintenance Manual. The DPTPL Maintenance Program will include (i) intervals and procedures for carrying out inspection of the DPTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which DPTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) lane closure schedules for each type of maintenance. Not later than 45 (forty five) days prior to the beginning of each accounting Year during the operation period, DPTPL shall provide to the NHAI and the Independent Engineer , its proposed annual program of Preventive, urgent and other scheduled maintenance Requirements, maintenance Manual and safety requirement.

Remedial measures: The DPTPL repair or rectify the defect of deficiencies if any set forth in O&M report or in test result referred to in clause 19.3 and furnish a report in respect thereof to the Independent Engineer and NHAI within 15 (Fifteen) days of receiving the O&M inspection report. In the event that DPTPL fails to maintain or repair the DPTPL Project in accordance with the specifications and standards set out in the DPTPL Concession Agreement, the DPTPL Maintenance Manual or the DPTPL Maintenance Program, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the DPTPL Project at the risk and cost of DPTPL and recover such cost, in addition to 20.0% of the cost as damages, from DPTPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the DPTPL Operations Period: During the operation period, the Concessionaire, no later than 7 (seven) days after the close of each month, furnish to the NHAI and Independent Engineer a monthly report stating a reasonable details and condition of the project Highway. The DPTPL Independent Consultant will inspect the DPTPL Project at least once a month and submit reports of such inspection (the “**DPTPL O&M Inspection Report**”) to the NHAI and DPTPL. DPTPL is thereafter required to remedy defects and deficiencies as set out in the DPTPL O&M Inspection Report within 15 days from the receipt of such DPTPL O&M Inspection Report, failing which, DPTPL will submit progress reports of such work once a week. DPTPL will also undertake tests if such tests are specified in the DPTPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by DPTPL do not conform to the requirements set out in the DPTPL O&M Inspection Report.

Modification of the Concession Period: Traffic on the DPTPL Project on October 1, 2020 (the “**Target Date**”) is estimated to be 37,000 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the

actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. DPTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Additional Concession Fee or Premium – The DPTPL shall pay to the Authority for the 10th (tenth) year of the Concession Period, but commencing from the day falling after 2610 days from COD, a Premium in the form of an additional Concession Fee equal to 2% (two per cent) of the total Realisable Fee during that year and for every year later thereon, the Premium shall be determined by increasing the proportion of Premium to the total Realisable Fee in the respective year by an additional 1%(one percent) as compared to the immediately preceding year.

Determination of Concession Fee - The total Realisable Fee for the purposes of computing the Concession Fee shall be determined on the express understanding that: The number of PCUs in the first year following the COD shall be deemed to be the higher of (a) the actual PCUs and (b) 21500 PCUs; and that the number of PCUs for computing the Concession Fee for each subsequent year shall be deemed to be the higher of (a) the actual PCUs and (b) 2% (two percent) greater than the number of PCUs reckoned hereunder in the immediately preceding year.

Construction of Additional Tollway: Under the concession agreement that authority shall not construct and shall procure that no government road between inter alia km.168.500 to km. 265.00 on national Highway No.3 for use by traffic at any time before 15th anniversary of the appointed Date. For the avoidance of doubts, additional Tollway does not include any expressway or other toll road connecting inter alia i.e. inter alia km.168.500 to km. 265.00 on national Highway No.3 if the length of such expressway or toll road exceeds the length of existing route comprising the project Highway by 20% thereof.

Augmentation of capacity: NA

Limitations on shareholding changes: NA

Insurance: DPTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the DPTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by DPTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from DPTPL.

Escrow account: DPTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**DPTPL Escrow Agreement**”). The DPTPL Concession Agreement provides that funds from the DPTPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the DPTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The DPTPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- All funds constituting the financial packages.
- All fee and any other revenues from or in respect Highway, including the proceeds of any rentals, deposits, capital receipts or insurance claims.

Upon termination of the DPTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by DPTPL in respect of the DPTPL Project;
- 90% (Ninety percent) of Debt Due excluding Subordinated Debt.
- All the payment and damages certified by the Authority as due and payable to it by the DPTPL, including repayment of revenue Shortfall Loan.
- Retention and payments relating liability for defect.
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: DPTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against, any and all loss and damages arising out of DPTPL’s failure to. (i) Comply with applicable laws and applicable permits. (ii) Make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by DPTPL without reimbursement under the DPTPL Concession Agreement or (iii) Make payment of amounts due resulting from materials or services provided to DPTPL or its contractors which are payable by any such party. In addition, DPTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by DPTPL or its contractors. DPTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. DPTPL will also promptly make every reasonable effort to secure a license for the NHAI, at its own cost, failing which, DPTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: NA

Force majeure: In the event of. (i) A non-political event, the NHAI and DPTPL will bear their respective cost. (ii) an indirect political event, DPTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to DPTPL. and (iii) a political event, the NHAI will reimburse all force majeure costs attributable to such force majeure event.

In the event of termination of the DPTPL Concession Agreement, the NHAI is required to make termination payments to DPTPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the DPTPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
2. An indirect political event, the NHAI shall make a termination payment to the DPTPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the Adjusted equity.
3. If the termination is on the account of a Political Event, the authority shall make a Termination payment to the DPTPL in an amount payable under Clause 37.3.2 as if it were an Authority Default.

Compensation for breach of the DPTPL Concession Agreement: In the event of the DPTPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation, all direct costs suffered or incurred by the NHAI as a consequences of such

material default or breach, within 30 (Thirty) days of receipt of the demand supported by necessary particulars thereof, provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The DPTPL Concession Agreement may be terminated on the occurrence of DPTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the DPTPL Concession Agreement. DPTPL will be deemed to be in default of the DPTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- DPTPL fails to achieve financial close (as defined in the DPTPL Concession Agreement) in accordance with the terms of the DPTPL Concession Agreement;
- DPTPL fails to achieve any milestones (as described in the DPTPL Concession Agreement) within the period set out in the DPTPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- DPTPL is in material breach of the DPTPL Concession Agreement;
- DPTPL defaults as a result of its failure to comply with the terms and conditions of the DPTPL Concession Agreement, and in respect of defaults with cure periods, DPTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits DPTPL to put forward a program with details for remedying any breach within 15 days of notice by NHAI;
- DPTPL creates any encumbrance, charge or lien, in breach of the DPTPL Concession Agreement;
- any petition for the winding up of the DPTPL is admitted by a court of competent jurisdiction or the DPTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the DPTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of DPTPL under the DPTPL Concession Agreement and the DPTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the DPTPL Concession Agreement and project agreements by the DPTPL;
- (ii) such entity has the financial standing to perform its obligations under the DPTPL Concession Agreement and project agreements by the DPTPL and has a credit worthiness at least as good as DPTPL as of the financial close (as defined in the DPTPL Concession Agreement); and
- (iii) each project agreement by the DPTPL remains in full force and in effect;
- a material breach of any of the project agreements by DPTPL;
- an event of default by DPTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- DPTPL abandons the operations of the DPTPL Project without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- DPTPL repudiates the DPTPL Concession Agreement or otherwise conveys an intention not to be bound by the DPTPL Concession Agreement;
- a material adverse effect occurs on the DPTPL Project which continues for 15 days from the date of such occurrence;
- DPTPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or

- DPTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the DPTPL Concession Agreement) in accordance with the DPTPL Concession Agreement.

Upon an event of default by DPTPL following which the NHAI terminates the DPTPL Concession Agreement, the NHAI will pay DPTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

DPTPL may terminate the DPTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the DPTPL Concession Agreement, causing a material adverse effect on DPTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the DPTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the GoI, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of DPTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to DPTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which DPTPL terminates the DPTPL Concession Agreement, the NHAI will pay DPTPL an amount equal to the sum of (1) the debt due, and (2) 150.0% of the Adjusted equity.

Defects liability after termination: The DPTPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120(one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that DPTPL fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the NHAI in this behalf, The NHAI shall be entitled to get the same repaired or rectified at the DPTPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

5. The Hyderabad- Yadgiri Tollway Private Limited (HYTPL) Project

The HYTPL Concession Agreement

Tolls: HYTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the HYTPL Project until the end of the concession period (the "**HYTPL Operations Period 23 years**"). The toll rates will be determined in accordance with the fees detailed in the HYTPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require HYTPL to perform additional work and services during the HYTPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the HYTPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: The HYTPL shall not collect any fee from Local Users for non-commercial use of the Project Highway, and shall issue a pass in respect thereof for commuting on a section of the Project Highway as specified in such pass and for crossing toll plaza specified therein.

O&M: HYTPL is required to, among other things, operate and maintain the HYTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the HYTPL Project to comply with the requirements set out in the HYTPL Concession Agreement. HYTPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the HYTPL Concession Agreement;
- minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the HYTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: HYTPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**HYTPL Independent Consultant**"), prepare a repair and maintenance manual (the "**HYTPL Maintenance Manual**") for the regular and preventive maintenance of the HYTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the HYTPL Concession Agreement.

Maintenance Program: HYTPL is required to provide the NHAI and the HYTPL Independent Consultant a Program for preventive and other scheduled maintenance of the HYTPL Project (the “**HYTPL Maintenance Program**”) to ensure compliance with the HYTPL Maintenance Manual. The HYTPL Maintenance Program will include (i) intervals and procedures for carrying out inspection of the HYTPL Project, (ii) criteria to adopt for deciding maintenance needs,

- (iii) preventive maintenance schedule; (iv) intervals at which HYTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and
- (vi) lane closure schedules for each type of maintenance. The HYTPL evolve a repair and maintenance annual programme for regular and preventive maintenance of the project highway in conformity with the specification and standard, in consultation with Independent Engineer within 45 (forty five) days prior to the beginning of each accounting year.

Remedial measures: In the event the HYTPL does not maintain and/or repair the Project Highway or any part thereof in conformity with the maintenance requirements, the maintenance manual or the maintenance Program, as the case may be, and fails to commence remedial works within 15(fifteen) days of receipt of the O&M inspection report or a notice in this behalf from the NHAI or the Independent Engineer. In addition to recovery of the aforesaid cost, a sum equals to 20% (twenty percent) of such cost shall be paid by the HYTPL to NHAI as damages.

Monitoring and supervision during the HYTPL Operations Period: HYTPL will, within seven days after the end of a month, provide monthly reports to the NHAI and HYTPL Independent Consultant. The HYTPL Independent Consultant will inspect the HYTPL Project at least once a month and submit reports of such inspection (the “**HYTPL O&M Inspection Report**”) to the NHAI and HYTPL. HYTPL is thereafter required to remedy defects and deficiencies as set out in the HYTPL O&M Inspection Report within 15 days from the receipt of such HYTPL O&M Inspection Report, failing which, HYTPL will submit progress reports of such work once a week. HYTPL will also undertake tests if such tests are specified in the HYTPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by HYTPL do not conform to the requirements set out in the HYTPL O&M Inspection Report.

Modification of the Concession Period: Traffic on the HYTPL Project on October 1, 2019 (the “**Target Date**”) is estimated to be 34,897 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. DPTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Additional Concession Fee or Premium – The HYTPL shall pay to the Authority, on the COD date, a Premium of in the form of an additional Concession Fee equal to Rs. 11.70 Crores (Rupees Eleven Crores and Seventy Lakhs only) as due to the Authority during that year, due and payable for the period remaining in that year; and for each subsequent year of the Concession Period, the Premium shall be determined by increasing the amount of Premium in the respective year by an additional 5% (five per cent) as compared to the immediately preceding year.

Construction of Additional Tollway: Under the concession agreement that authority shall not construct and shall procure that no government shall construct or cause to be construct ,any expressway or other toll road between inter alia, km.18.600 and km. 54.00 Hyderabad Yadhgiri section of NH-202 for use by traffic at any time before 15th anniversary of the appointed Date, provided that in the event of the concession period being reduced to 12

(twelve) years , the additional tollway may be opened to traffic at any time after the 8th (eighth) anniversary of the appointed Date. For the avoidance of doubts, additional Tollway does not include any expressway or other toll road connecting inter alia, km.18.600 and km. 54.00 Hyderabad Yadhgiri section of NH-202 if the length of such expressway or toll road exceeds the length of existing route comprising the project Highway by 20% thereof.

Augmentation of capacity: NA

Limitations on shareholding changes: NA

Insurance: HYTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the HYTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by HYTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from HYTPL.

Escrow account: HYTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**HYTPL Escrow Agreement**”). The HYTPL Concession Agreement provides that funds from the HYTPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the HYTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The HYTPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- All funds constituting the financial packages.
- All fee and any other revenues from or in respect Highway, including the proceeds of any rentals, deposits, capital receipts or insurance claims.
- All payments by the NHAI, after deduction of any outstanding concession fee.

Upon termination of the HYTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by HYTPL in respect of the HYTPL Project;
- 90% (Ninety percent) of Debt Due excluding Subordinated Debt.
- All the payment and damages certified by the Authority as due and payable to it by the HYTPL, including repayment of revenue Shortfall Loan.
- Retention and payments relating liability for defect.
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: HYTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of HYTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by HYTPL without reimbursement under the HYTPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to HYTPL or its contractors which are payable by any such party. In addition, HYTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by HYTPL or its contractors. HYTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. HYTPL will also promptly make every

reasonable effort to secure a license for the NHAI, at its own cost, failing which, HYTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the HYTPL Project have step-in rights to substitute HYTPL in the event HYTPL breaches or defaults under the HYTPL Concession Agreement, provided that the NHAI will give 90 days to HYTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and HYTPL will bear their respective cost; (ii) an indirect political event, HYTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to HYTPL; and (iii) a political event, the NHAI will reimburse all force majeure costs attributable to such force majeure event. force majeure cost incurred and certified by the statutory auditors, provided that no force majeure cost will be payable by the NHAI if the concession period is extended.

In the event of termination of the HYTPL Concession Agreement, the NHAI is required to make termination payments to HYTPL. In the event of termination due to:

4. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the HYTPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
5. An indirect political event, the NHAI shall make a termination payment to the HYTPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due;
 - b. 110.0% of the adjusted equity.
6. If the termination is on the account of a Political Event, the authority shall make a Termination payment to the HYTPL in an amount payable under Clause 37.3.2 as if it were an Authority Default.

Compensation for breach of the HYTPL Concession Agreement: In the event of the HYTPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation, all direct costs suffered or incurred by the NHAI as a consequences of such material default or breach, within 30 (Thirty) days of receipt of the demand supported by necessary particulars thereof, provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The HYTPL Concession Agreement may be terminated on the occurrence of HYTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the HYTPL Concession Agreement. HYTPL will be deemed to be in default of the HYTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- The performance Security has been encashed and appropriated in accordance with clause 9.2 and HYTPL fails to replenish or provide fresh performance security within cure period of 30(thirty) days.
- Subsequent to the replenishment or furnishing of fresh performance security in accordance with clause 9.2, the HYTPL fails to cure, within a cure period of

90(ninety) day, the HYTPL default for which whole or part of the performance security was appropriate.

- HYTPL is in material breach of the HYTPL Concession Agreement;
- HYTPL defaults as a result of its failure to comply with the terms and conditions of the HYTPL Concession Agreement, and in respect of defaults with cure periods, HYTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits HYTPL to put forward a Program with details for remedying any breach within 15 days of notice by NHAI;
- HYTPL creates any encumbrance, charge or lien, in breach of the HYTPL Concession Agreement; there is a transfer of either (i) the rights and/or obligations of HYTPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of HYTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of HYTPL to perform and HYTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of HYTPL for the voluntary winding up of HYTPL;
- HYTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for HYTPL or on any of its property that has a material bearing on the HYTPL Project;
- any petition for the winding up of the HYTPL is admitted by a court of competent jurisdiction or the HYTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the HYTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of HYTPL under the HYTPL Concession Agreement and the HYTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the HYTPL Concession Agreement and project agreements by the HYTPL; (ii) such entity has the financial standing to perform its obligations under the HYTPL Concession Agreement and project agreements by the HYTPL and has a credit worthiness at least as good as HYTPL as of the financial close (as defined in the HYTPL Concession Agreement); and (iii) each project agreement by the HYTPL remains in full force and in effect;
- a material breach of any of the project agreements by HYTPL;
- an event of default by HYTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- HYTPL abandons the operations of the HYTPL Project without the prior consent of the NHAI;
- HYTPL repudiates the HYTPL Concession Agreement or otherwise conveys an intention not to be bound by the HYTPL Concession Agreement;
- a material adverse effect occurs on the HYTPL Project which continues for 15 days from the date of such occurrence;
- HYTPL fails to make any payment due to the NHAI; or
- HYTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the HYTPL Concession Agreement) in accordance with the HYTPL Concession Agreement.

Upon an event of default by HYTPL following which the NHAI terminates the HYTPL Concession Agreement, the NHAI will pay HYTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and

paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

HYTPL may terminate the HYTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the HYTPL Concession Agreement, causing a material adverse effect on HYTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the HYTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the Gol, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of HYTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to HYTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which HYTPL terminates the HYTPL Concession Agreement, the NHAI will pay HYTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity.

Defects liability after termination: The HYTPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120(one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that HYTPL fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the NHAI in this behalf, The NHAI shall be entitled to get the same repaired or rectified at the HYTPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

6. The Mysore- Bellary Highway Private Limited (MBHPL) Project

The MBHPL Concession Agreement

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Annuity: In consideration of the MBHPL's undertaking to perform obligations set forth in Concession Agreement, KSHIP agrees to pay Annuity in accordance with the timetable set forth in Schedule-M.

Reduction in Annuity:

Non-adherence to Maintenance Requirements – If in an Annuity Period, the MBHPL fails to maintain the Project Highway in accordance with the Maintenance Requirements as provided in Schedule-K, then it shall be liable for payment of Damages in accordance with Article 17 of CA for the relevant Annuity Period.

Assured Availability - If in an Annuity Period, the Actual Lane Availability is below the Assured Lane Availability as computed and certified by the MBHPL Independent Consultant in accordance with the Service Level Requirements at Schedule-K during the Annuity period, then the Annuity due shall be reduced proportionately.

Non-adherence to Environmental Management and mitigation measures as per EMP and statutory requirements – If in an Annuity Period, the MBHPL fails to implement the Project Highway in accordance with the EMP and the statutory requirements as provided in Schedule-L, then it shall be liable for payment of Damages to be calculated and paid for each day until the breach is cured as per Clause 28.5.2.

Payment Mechanism for Annuity: MBHPL shall raise invoice atleast one month prior to the Due Date of Annuity and upon receipt of invoice and recommendation of MBHPL Independent Consultant, KSHIP will proceed to disburse Annuity on the Due Date.

Exemption for users: The Concessionaire shall not levy, demand or collect from or in respect of any vehicle or Person, for the use of Project Facilities, any sum whatsoever in the nature of a toll or fee.

O&M: MBHPL is required to, among other things, operate and maintain the MBHPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the MBHPL Project to comply with the requirements set out in the MBHPL Concession Agreement. MBHPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- allowing and cooperating with the Authority or Authority Contractor(s) in collecting and appropriating the Fee;
- minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the MBHPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and other equipment.

Maintenance Manual: MBHPL is required to, in consultation with the independent consultant appointed by the KSHIP (the “**MBHPL Independent Consultant**”), prepare a repair and maintenance manual (the “**MBHPL Maintenance Manual**”) for the regular and periodic maintenance of the MBHPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the MBHPL Concession Agreement.

Maintenance Program: MBHPL is required to provide the KSHIP and the MBHPL Independent Consultant a Program for preventive and other scheduled maintenance of the MBHPL Project (the “**MBHPL Maintenance Program**”) to ensure compliance with the MBHPL Maintenance Manual. The MBHPL Maintenance Program will include (i) intervals and procedures for carrying out inspection of the MBHPL Project, (ii) criteria to adopt for deciding maintenance needs,

- (iii) preventive maintenance schedule; (iv) intervals at which MBHPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and
- (vi) lane closure schedules for each type of maintenance. The MBHPL evolve a repair and maintenance annual programme for regular and preventive maintenance of the project highway in conformity with the specification and standard, within 45 (forty-five) days prior to the beginning of each accounting year.

Remedial measures: In the event that MBHPL fails to maintain or repair the MBHPL Project in accordance with the specifications and standards set out in the MBHPL Concession

Agreement, the MBHPL Maintenance Manual or the MBHPL Maintenance Program, and fails to commence remedial work within 15 days of notice, the KSHIP will be entitled to undertake such repair and maintenance of the MBHPL Project at the risk and cost of MBHPL and recover such cost, in addition to 20.0% of the cost as damages, from MBHPL. The KSHIP is entitled to recover the sums from the escrow account.

Monitoring and supervision during the MBHPL Operations Period: MBHPL will, within seven days after the end of a month, provide monthly reports to the KSHIP and MBHPL Independent Consultant. The MBHPL Independent Consultant will inspect the MBHPL Project at least once a month and submit reports of such inspection (the “**MBHPL O&M Inspection Report**”) to the KSHIP and MBHPL. MBHPL is thereafter required to remedy defects and deficiencies as set out in the MBHPL O&M Inspection Report within 15 days from the receipt of such MBHPL O&M Inspection Report, failing which, MBHPL will submit progress reports of such work once a week. MBHPL will also undertake tests if such tests are specified in the MBHPL O&M Inspection Report. The KSHIP will be entitled to damages if the remedial measures by MBHPL do not conform to the requirements set out in the MBHPL O&M Inspection Report.

Construction of Additional Tollway: NA

Augmentation of capacity: The KSHIP may conduct a detailed traffic study at any time after 6th anniversary from the commissioning of the MBHPL Project and decide to augment its capacity. The KSHIP will thereafter commence a bidding process in which MBHPL will be given an option to participate. . In the event that MBHPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the KSHIP will have the right to terminate the MBHPL Concession Agreement upon paying the termination payment to MBHPL.

Limitations on shareholding changes: NA

Insurance: MBHPL is required to maintain, at its own cost (or through an O&M provider), during the term of the MBHPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by MBHPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from MBHPL.

Escrow account: MBHPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**MBHPL Escrow Agreement**”). The MBHPL Concession Agreement provides that funds from the MBHPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the MBHPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The MBHPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- ☐ All funds constituting the financial packages.
- ☐ All Annuities and any other revenues from or in respect Highway, including the proceeds of insurance claims.
- ☐ All payments by the KSHIP, after deduction of any outstanding Concession Fee.

Upon termination of the MBHPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- ☐ all taxes due and payable by MBHPL in respect of the MBHPL Project;
- ☐ 90% (Ninety percent) of Debt Due excluding Subordinated Debt.

- ☐ All the payment and damages certified by the Authority as due and payable to it by the MBHPL, including repayment of revenue Shortfall Loan.
- ☐ Retention and payments relating liability for defect.
- ☐ Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: MBHPL will indemnify the KSHIP, its officers, servants, agents, subsidiaries and contractors (the “**KSHIP Indemnified Persons**”) against any and all loss and damages arising out of MBHPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by MBHPL without reimbursement under the MBHPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to MBHPL or its contractors which are payable by any such party. In addition, MBHPL will indemnify the KSHIP Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by MBHPL or its contractors. MBHPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. MBHPL will also promptly make every reasonable effort to secure a license for the KSHIP, at its own cost, failing which, MBHPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the MBHPL Project have step-in rights to substitute MBHPL in the event MBHPL breaches or defaults under the MBHPL Concession Agreement, provided that the KSHIP will give 90 days to MBHPL to cure such breach or default

Force majeure: In the event of (i) a non-political event, the KSHIP and MBHPL will bear their respective cost; (ii) an indirect political event, MBHPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the KSHIP will reimburse one half of such cost to MBHPL; and (iii) a political event, the KSHIP will reimburse all force majeure costs attributable to such force majeure event.

In the event of termination of the MBHPL Concession Agreement, the KSHIP is required to make termination payments to MBHPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the MBHPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
2. An indirect political event, the NHA shall make a termination payment to the MBHPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due;
 - b. 110.0% of the Adjusted equity.
3. If the termination is on the account of a Political Event, the authority shall make a Termination payment to the MBHPL in an amount payable under Clause 37.3.2 as if it were an Authority Default.

Compensation for breach of the MBHPL Concession Agreement: In the event of the MBHPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation, all direct costs suffered or incurred by the KSHIP as a consequences of such material default or breach, within 30 (Thirty) days of receipt of the demand supported by

necessary particulars thereof , provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The MBHPL Concession Agreement may be terminated on the occurrence of MBHPL's default or the NHAI's default and in each case the default has not been cured under the terms of the MBHPL Concession Agreement. MBHPL will be deemed to be in default of the MBHPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- ☐ MBHPL fails to achieve financial close (as defined in the MBHPL Concession Agreement) in accordance with the terms of the MBHPL Concession Agreement;
- ☐ MBHPL fails to achieve any milestones (as described in the MBHPL Concession Agreement) within the period set out in the MBHPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- ☐ MBHPL is in material breach of the MBHPL Concession Agreement;
- ☐ MBHPL defaults as a result of its failure to comply with the terms and conditions of the MBHPL Concession Agreement, and in respect of defaults with cure periods, MBHPL fails to rectify the default within one month of notice by the KSHIP (or such longer period of notice, if the KSHIP so decides) after the NHAI permits MBHPL to put forward a Program with details for remedying any breach within 15 days of notice by KSHIP;
- ☐ MBHPL creates any encumbrance, charge or lien, in breach of the MBHPL Concession Agreement;
- ☐ there is a transfer of either (i) the rights and/or obligations of MBHPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of MBHPL except for such transfer which, in the reasonable opinion of the KSHIP, does not affect the ability of MBHPL to perform and MBHPL has the financial and technical capacity to perform its material obligations under the project agreements;
- ☐ a resolution is passed by the shareholders of MBHPL for the voluntary winding up of MBHPL;
- ☐ MBHPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for MBHPL or on any of its property that has a material bearing on the MBHPL Project;
- ☐ any petition for the winding up of the MBHPL is admitted by a court of competent jurisdiction or the MBHPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the MBHPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of MBHPL under the MBHPL Concession Agreement and the MBHPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the MBHPL Concession Agreement and project agreements by the MBHPL; (ii) such entity has the financial standing to perform its obligations under the MBHPL Concession Agreement and project agreements by the MBHPL and has a credit worthiness at least as good as MBHPL as of the financial close (as defined in the MBHPL Concession Agreement); and (iii) each project agreement by the MBHPL remains in full force and in effect;
- ☐ a material breach of any of the project agreements by MBHPL;
- ☐ an event of default by MBHPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- ☐ MBHPL abandons the operations of the MBHPL Project without the prior consent of the KSHIP

- ☐ MBHPL repudiates the MBHPL Concession Agreement or otherwise conveys an intention not to be bound by the MBHPL Concession Agreement;
- ☐ a material adverse effect occurs on the MBHPL Project;
- ☐ MBHPL fails to make any payment due to the KSHIP; or
- ☐ MBHPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the MBHPL Concession Agreement) in accordance with the MBHPL Concession Agreement.

Upon an event of default by MBHPL following which the KSHIP terminates the MBHPL Concession Agreement, the NHAI will pay MBHPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

MBHPL may terminate the MBHPL Concession Agreement by giving a 90 days' notice in writing to the KSHIP. A default by the NHAI will include the occurrence of one or more of the following events:

- ☐ the KSHIP is in material breach of the MBHPL Concession Agreement, causing a material adverse effect on MBHPL and such breach is not rectified within the cure period;
- ☐ the KSHIP repudiates the MBHPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- ☐ the KSHIP has failed to make any payment due to MBHPL and such delay is not rectified within the cure period.

Upon an event of default by the KSHIP following which MBHPL terminates the MBHPL Concession Agreement, the NHAI will pay MBHPL an amount equal to the sum of (1) the total debt due less insurance cover, provided that if any insurance claim is not admitted then 80% of such unpaid claim shall not be deducted from the debt due, and (2) 120.0% of Adjusted Equity.

Defects liability after termination: The MBHPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120 (one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that MBHPL fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the NHAI on its behalf, The NHAI shall be entitled to get the same repaired or rectified at the MBHPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

7. The Nagpur - Seoni Express Way Private Limited (NSEPL) Project

The NSEPL Concession Agreement

The scope of NSEPL is providing four laning to Nagpur Seoni road (Km.596.750 to 563.225) on the basis of built operate transfer on Annuity basis. In consideration of the NSEPL undertaking to perform obligations set forth in CA, NHAI agrees to pay Annuity in accordance with the timeline set forth in Schedule-G.

Negative Grant: NA

Annuity: In consideration of the NSEPL's undertaking to perform obligations set forth in

Concession Agreement, NHAI agrees to pay Annuity in accordance with the timetable set forth in Schedule-G. The amount payable in the Annuity has been revised by the Arbitration Award passed on 05.10.2018.

Assured Availability:

If the NSEPL fails to perform its obligations and the actual availability of Carriageway was less during the Annuity period, then the Annuity due shall be reduced proportionately. The Carriageway shall be deemed to be unavailable if a) The same is closed to Traffic, b) The NSEPL Independent Consultant determines that riding quality is deteriorated with respect to the Maintenance Requirements in Schedule-L and if NSEPL Independent Consultant opines that it is not safe for operations.

Payment Mechanism for Annuity: NSEPL shall raise invoice atleast one month prior to the Due Date of Annuity and upon receipt of invoice and recommendation of NSEPL Independent Consultant, NHAI will proceed to disburse Annuity on the Due Date.

Change in scope of work: The NHAI may, in the form of a change in scope order, require NSEPL to perform additional work and services during the NSEPL Operations Period, provided that such change in scope order does not incur costs exceeding 10.0% of the total cost of the NSEPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: NA.

O&M: The Concessionaire i.e. NSEPL shall operate and maintain the Project and Project facilities by itself or through a contractor including by modifying, repairing or otherwise making improvements to comply with the requirements set out in the NSEPL Concession agreement.

NSEPL shall be responsible for:

- ☐ Ensuring smooth and uninterrupted flow of traffic during normal operating condition.
- ☐ Minimizing disruption to traffic in the event of accidents or other incidents affecting the use of project and project facilities.
- ☐ undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage.
- ☐ Undertaking maintenance work in accordance with maintenance manual and maintenance programme.

Maintenance manual: NSEPL requires to, in consultation with Independent Consultant for regular and periodic maintenance and shall ensure and procure that at all times during the operation period, the project is maintained in a manner that it complies with specifications and standard.

Maintenance Programme: NSEPL is required to, in consultation with the NSEPL Independent Consultant, NSEPL shall provide proposed programme of preventive and other scheduled maintenance of the project. Such maintenance programme include following:

- ☐ Intervals and procedures for carrying out of inspection of all elements of the projects.
- ☐ Criteria to be adopted for deciding maintenance needs.
- ☐ Preventive maintenance schedule.

Maintenance shall include replacement of equipment, consumables, horticultural maintenance and repairs to equipment, pavements, bridges, structures and other civil works which are part of the project/project facilities.

Monitoring and supervision during the NSEPL Operations Period: NSEPL will undertake periodic inspection of the NSEPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the “**NSEPL Maintenance Report**”) to the NHAI and the NSEPL Independent Consultant. The NSEPL Independent Consultant will review the NSEPL Maintenance Report and submit a report (the “**NSEPL O&M**”).

Inspection Report") to the NHAI and NSEPL. NSEPL is thereafter required to remedy defects and deficiencies as set out in the NSEPL O&M Inspection Report within 30 days from the receipt of such NSEPL O&M Inspection Report, failing which, NSEPL will submit progress reports of such work once a fortnight. NSEPL will also undertake tests if such tests are specified in the NSEPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and NSEPL Independent Consultant. In addition, NSEPL will provide the NHAI with a statement of fees once a month.

Indemnities: NSEPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the "**NHAI Indemnified Persons**") against any and all loss and damages arising out of NSEPL's failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by NSEPL without reimbursement under the NSEPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to NSEPL or its contractors which are payable by any such party. In addition, NSEPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by NSEPL or its contractors. NSEPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. NSEPL will also promptly make every reasonable effort to secure a license for the NHAI, at its own cost, failing which, NSEPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Escrow account: NSEPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the "**NSEPL Escrow Agreement**"). The NSEPL Concession Agreement provides that funds constituting the Financial Package, and disbursements or Annuity payments by the NHAI in exercise of its rights under the NSEPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. The NSEPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- ☐ Taxes payable by Concessionaire.
- ☐ Payments related to construction of the Project Highway.
- ☐ O&M Expenses incurred by Concessionaire.
- ☐ O&M expenses incurred by NHAI.
- ☐ Concession Fee including Premium payable to NHAI.
- ☐ Monthly proportionate provision for Debt service due in an Accounting Year.
- ☐ Damages payable to NHAI, if any.
- ☐ Monthly proportionate provisions of debt service payment due in an Accounting Year in respect of subordinate Debt.
- ☐ Balance if any as per the instructions of Concessionaire.

Upon termination of the NSEPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- ☐ all taxes due and payable by NSEPL in respect of the NSEPL Project;
- ☐ all Concession Fees due and payable to NHAI under this Agreement;
- ☐ all accrued Debt Service Payment; All the payment and damages certified by the Authority as due and payable to it by the NSEPL, including Termination claims and recovery due to reduction in scope of Work;.
- ☐ Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Insurance: NSEPL is required to maintain, at its own cost (or through an O&M provider), during

the term of the NSEPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by NSEPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from NSEPL.

Force majeure: In the event of (i) a non-political event, the NHAI and NSEPL will bear their respective cost; (ii) an indirect political event, NSEPL will bear such cost covered by insurance claims and for such cost exceeding the insurance claim, the NHAI will reimburse one half of such cost to NSEPL; and (iii) a political event, the NHAI will reimburse a lump sum or pay installments with interest the force majeure cost incurred and certified by the statutory auditors, provided that no force majeure cost will be payable by the NHAI if the concession period is extended

In the event of termination of the NSEPL Concession Agreement, the NHAI is required to make termination payments to NSEPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, no Termination Payment shall be made by NHAI but the NSEPL is entitled to receive and appropriate the proceeds of any insurance obtained by it.
2. If the termination is on the account of a Indirect-political Event, NHAI shall pay to the NSEPL Termination Payment equal to 75% of the Discounted Value of Future Net Cashflows.
3. If the termination is on the account of a Political Event, NHAI shall pay to the NSEPL Termination Payment equal to the Discounted Value of Future Net Cashflows.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the NSEPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which NSEPL will be given an option to participate. If NSEPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that NSEPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the NSEPL Concession Agreement upon paying the termination payment to NSEPL.

8. The Shreenathji- Udaipur Tollway Private Limited (SUTPL) Project

The SUTPL Concession Agreement

Tolls: SUTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the SUTPL Project until the end of the concession period (the “**SUTPL Operations Period 27 years**”). The toll rates will be determined in accordance with the fees detailed in the SUTPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and maintenance and fulfillment of other obligations of concessionaire.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require SUTPL to perform additional work and services during the SUTPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the SUTPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: The SUTPL shall not collect any fee from Local Users for non-

commercial use of the Project Highway, and shall issue a pass in respect thereof for commuting on a section of the Project Highway as specified in such pass and for crossing toll plaza specified therein.

O&M: SUTPL is required to, among other things, operate and maintain the SUTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the SUTPL Project to comply with the requirements set out in the SUTPL Concession Agreement. SUTPL's O&M obligations include:

- ☐ permitting the safe, smooth and uninterrupted flow of traffic;
- ☐ charging, collecting and retaining tolls in accordance with the SUTPL Concession Agreement;
- ☐ minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the SUTPL Project;
- ☐ undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- ☐ undertaking major maintenance, including resurfacing of pavements (once every five years), repairs to structures and refurbishment of tolling systems, hardware (such as the highway traffic management systems which must have a service life of 10 years) and other equipment.

Maintenance Manual: SUTPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**SUTPL Independent Consultant**"), prepare a repair and maintenance manual (the "**SUTPL Maintenance Manual**") for the regular and periodic maintenance of the SUTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the SUTPL Concession Agreement.

Maintenance Program: SUTPL is required to, in consultation with the SUTPL Independent Consultant, provide the NHAI a Program for preventive and other scheduled maintenance of the SUTPL Project (the "**SUTPL Maintenance Program**") to ensure compliance with the SUTPL Maintenance Manual. The SUTPL Maintenance Program will include (i) intervals and procedures for carrying out inspection of the SUTPL Project, (ii) criteria to adopt for deciding maintenance needs,

(iii) Preventive maintenance schedule; (iv) intervals at which SUTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and

- (vi) Lane closure schedules for each type of maintenance. The SUTPL evolve a repair and maintenance manual for regular and preventive maintenance of the project highway in conformity with the specification and standard, in consultation with Independent Engineer within 180 (one Hundred eighty) days.

Remedial measures: The SUTPL repair or rectify the defect of deficiencies if any set forth in O&M report or in test result referred to in clause 19.3 and furnish a report in respect thereof to the Independent Engineer and NHAI within 15 (Fifteen) days of receiving the O&M inspection report. In the event that SUTPL fails to maintain or repair the MBHPL Project in accordance with the specifications and standards set out in the MBHPL Concession Agreement, the SUTPL Maintenance Manual or the SUTPL Maintenance Program, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the SUTPL Project at the risk and cost of SUTPL and recover such cost, in addition to 20.0% of the cost as damages, from MBHPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the SUTPL Operations Period: SUTPL will undertake periodic inspection of the SUTPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the "**SUTPL Maintenance Report**") to the NHAI and the SUTPL Independent Consultant. The SUTPL Independent Consultant

will review the SUTPL Maintenance Report and submit a report (the “**SUTPL O&M Inspection Report**”) to the NHAI and SUTPL. SUTPL is thereafter required to remedy defects and deficiencies as set out in the SUTPL O&M Inspection Report within 30 days from the receipt of such SUTPL O&M Inspection Report, failing which, SUTPL will submit progress reports of such work once a fortnight. SUTPL will also undertake tests if such tests are specified in the SUTPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and SUTPL Independent Consultant. In addition, SUTPL will provide the NHAI with a statement of fees once a month.

Construction of Additional Tollway: Under the concession agreement that authority shall not construct and shall procure that no government road between inters alia Shreenathji – Udaipur i.e. km.177/0.000 to km. 260/100 on national Highway no.8 for use by traffic at any time before 18th anniversary of the appointed Date. For the avoidance of doubts, additional Tollway does not include any expressway or other toll road connecting inter alia Shreenathji –Udaipur i.e. km.177/0.000 to km. 260/100 on national Highway no.8 if the length of such expressway or toll road exceeds the length of existing route comprising the project Highway by 20% thereof.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the SUTPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which SUTPL will be given an option to participate. If SUTPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that SUTPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the SUTPL Concession Agreement upon paying the termination payment to SUTPL.

Limitations on shareholding changes: NA

Insurance: SUTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the SUTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by SUTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from SUTPL.

Escrow account: SUTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**SUTPL Escrow Agreement**”). The SUTPL Concession Agreement provides that funds from the SUTPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the SUTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. It is also provided that the senior lenders may make direct disbursements to EPC contractor in accordance with the express provisions contained in this behalf in the financing agreements. The SUTPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- All funds constituting the financial packages.
- All fee and any other revenues from or in respect Highway, including the proceeds of any rentals, deposits, capital receipts or insurance claims.

Upon termination of the SUTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by SUTPL in respect of the SUTPL Project;
- 90% (Ninety percent) of Debt Due excluding Subordinated Debt.
- All the payment and damages certified by the Authority as due and payable to it by the SUTPL, including repayment of revenue Shortfall Loan.

- Retention and payments relating liability for defect.
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Indemnities: SUTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of SUTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by SUTPL without reimbursement under the SUTPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to SUTPL or its contractors which are payable by any such party. In addition, SUTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by SUTPL or its contractors. SUTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. SUTPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, SUTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the SUTPL Project have step-in rights to substitute SUTPL in the event SUTPL breaches or defaults under the SUTPL Concession Agreement provided that the NHAI will give 90 days to SUTPL to cure such breach or default.

Additional Concession Fee or Premium – The SUTPL shall pay to the Authority, on the COD date, a Premium of in the form of an additional Concession Fee equal to Rs. 21.60 Crores (Rupees Twenty One Crores and Sixty Lakhs only) as due to the Authority during that year, due and payable for the period remaining in that year; and for each subsequent year of the Concession Period, the Premium shall be determined by increasing the amount of Premium in the respective year by an additional 5% (five per cent) as compared to the immediately preceding year.

Modification of the Concession Period: *Target* Traffic for the SUTPL Project on April 1, 2022 (the “**Target Date**”) is estimated to be 24281 PCUs per day (“**Traffic Target**”). The actual traffic on the Target Date shall be derived by computing the average of the traffic as determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date (the “**Actual Average Traffic**”). In the event that the Actual Average Traffic shall have fallen short of the Target Traffic, then for every 1% (one per cent) shortfall as compared to the Target Traffic, the Concession Period shall, subject to payment of Concession Fee in accordance with this Agreement, be increased by 1.5% (one point five per cent) thereof; provided that such increase in Concession Period shall not in any case exceed 20% (twenty per cent) of the Concession Period.

Force majeure: In the event of (i) a non-political event, the NHAI and SUTPL will bear their respective cost; (ii) an indirect political event, SUTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to SUTPL; and (iii) a political event, the NHAI will reimburse force majeure costs attributable to such force majeure event.

In the event of termination of the SUTPL Concession Agreement, the NHAI is required to make termination payments to SUTPL. In the event of termination due to:

1. If the termination is on the account of a Non-political Event, the authority shall make a Termination payment to the SUTPL in an amount equal to 90% (ninety percent) of debt due less Insurance cover.
2. An indirect political event, the NHAI shall make a termination payment to the SUTPL.
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due;
 - b. 110.0% of the adjusted equity.
3. If the termination is on the account of a political event, NHAI shall make Termination Payment in an amount that would be payable under Clause 37.3.2 as it were an Authority's Default.

Compensation for breach of the SUTPL Concession Agreement: In the event of the SUTPL being in material default or breach of this agreement, it shall pay to the authority by way of compensation , all direct costs suffered or incurred by the NHAI as a consequences of such material default or breach, within 30 (Thirty) days of receipt of the demand supported by necessary particulars thereof , provided that no compensation shall be payable under this Clause 35.1 for any material breach or default in respect of which Damages are expressly specified and payable under this agreement.

Termination: The SUTPL Concession Agreement may be terminated on the occurrence of SUTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the SUTPL Concession Agreement. SUTPL will be deemed to be in default of the SUTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- SUTPL fails to achieve financial close (as defined in the SUTPL Concession Agreement) in accordance with the terms of the SUTPL Concession Agreement;
- SUTPL fails to achieve any milestones (as described in the SUTPL Concession Agreement) within the period set out in the SUTPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- SUTPL is in material breach of the SUTPL Concession Agreement;
- SUTPL defaults as a result of its failure to comply with the terms and conditions of the SUTPL Concession Agreement, and in respect of defaults with cure periods, SUTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits SUTPL to put forward a Program with details for remedying any breach within 15 days of notice by NHAI;
- SUTPL creates any encumbrance, charge or lien, in breach of the SUTPL Concession Agreement;
- the shareholding of L&T and its associates falls below the minimum prescribed limits under the SUTPL Concession Agreement and such default is not cured within 90 days of its occurrence;
- there is a transfer of either (i) the rights and/or obligations of SUTPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of SUTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of SUTPL to perform and SUTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of SUTPL for the voluntary winding up of SUTPL;

- SUTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for SUTPL or on any of its property that has a material bearing on the SUTPL Project;
- any petition for the winding up of the SUTPL is admitted by a court of competent jurisdiction or the SUTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the SUTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of SUTPL under the SUTPL Concession Agreement and the SUTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the SUTPL Concession Agreement and project agreements by the SUTPL; (ii) such entity has the financial standing to perform its obligations under the SUTPL Concession Agreement and project agreements by the SUTPL and has a credit worthiness at least as good as SUTPL as of the financial close (as defined in the SUTPL Concession Agreement); and (iii) each project agreement by the SUTPL remains in full force and in effect;
- a material breach of any of the project agreements by SUTPL;
- an event of default by SUTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- SUTPL abandons the operations of the SUTPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- SUTPL repudiates the SUTPL Concession Agreement or otherwise conveys an intention not to be bound by the SUTPL Concession Agreement;
- a material adverse effect occurs on the SUTPL Project which continues for 15 days from the date of such occurrence;
- SUTPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or
- SUTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the SUTPL Concession Agreement) in accordance with the SUTPL Concession Agreement.

Upon an event of default by SUTPL following which the NHAI terminates the SUTPL Concession Agreement, the NHAI will pay SUTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

SUTPL may terminate the SUTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the SUTPL Concession Agreement, causing a material adverse effect on SUTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the SUTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the GoI, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of SUTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or

- the NHAI has failed to make any payment due to SUTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which SUTPL terminates the SUTPL Concession Agreement, the NHAI will pay SUTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity.

Defects liability after termination: The SUTPL shall be responsible for all defects and deficiencies in the project Highway for a period of 120(one hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by Independent consultant during the aforesaid period. In the event that SUTPL fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the NHAI in this behalf, The NHAI shall be entitled to get the same repaired or rectified at the SUTPL's Risk and cost so as to make the project Highway conform to the maintenance Requirements. All costs incurred by the NHAI within 15 days of receipt of demand thereof, and in the event of default in reimbursing such costs, the NHAI shall be entitled to recover the same from the escrow account.

9.The Krishnagiri Thopur Toll Road Private Limited (KTTPPL) Project

The KTTPPL Concession Agreement

Tolls: KTTPPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the KTTPPL Project until the end of the concession period (the "**KTTPPL Operations Period**"). The toll rates will be determined in accordance with the fees detailed in the KTTPPL Concession Agreement.

Under the KTTPPL Concession Agreement, the NHAI provided an additional adjoining continuous stretch of road to KTTPPL to operate and maintain, with respect to which KTTPPL will pay 83.8% of the additional proportional revenue to be paid on quarterly to NHAI for the remaining KTTPPL Operations Period. The additional proportional revenue per year is calculated by (i) the multiplication of the additional length of such road and the total toll collection by KTTPPL for each quarter, (ii) divided by the total length of the KTTPPL Project (which includes the additional length of national highway).

As consideration, KTTPPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the KTTPPL Project in accordance with the KTTPPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 1992. KTTPPL pays the NHAI Rs. 1.00 per year, as concession fees, during the term of the KTTPPL Concession Agreement.

Negative Grant: KTTPPL will pay to NHAI cash equal to the sum set out in the bid and as accepted by the NHAI amounting to ₹ 1,400.40 million, in instalments provided in the KTTPPL Concession Agreement. Such cash payments will be paid within 90 days from the start of the year for which the payment is due, from the fourth year to the 13th year of the concession period.

Change in scope of work: The NHAI may, in the form of a change in scope order, require KTTPPL to perform additional work and services during the KTTPPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the KTTPPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: KTTPPL will collect tolls from local users at a discounted rate as specified in the KTTPPL Concession Agreement. KTTPPL will not collect tolls from users on exempted vehicles.

O&M: KTTPPL is required to, among other things, operate and maintain the KTTPPL Project,

either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the KTTPL Project to comply with the requirements set out in the KTTPL Concession Agreement. KTTPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the KTTPL Concession Agreement;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the KTTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements (once every five years), repairs to structures and refurbishment of tolling systems, hardware (such as the highway traffic management systems which must have a service life of 10 years) and other equipment.

Maintenance Manual: KTTPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**KTTPL Independent Consultant**"), prepare a repair and maintenance manual (the "**KTTPL Maintenance Manual**") for the regular and periodic maintenance of the KTTPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the KTTPL Concession Agreement.

Maintenance Programme: KTTPL is required to, in consultation with the KTTPL Independent Consultant; provide the NHAI a programme for preventive and other scheduled maintenance of the KTTPL Project (the "**KTTPL Maintenance Programme**") to ensure compliance with the KTTPL Maintenance Manual. The KTTPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the KTTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) Preventive maintenance schedule; (iv) intervals at which KTTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) Lane closure schedules for each type of maintenance.

Remedial measures: In the event that KTTPL fails to maintain or repair the KTTPL Project in accordance with the specifications and standards set out in the KTTPL Concession Agreement, the KTTPL Maintenance Manual or the KTTPL Maintenance Programme, and fails to commence remedial work within 30 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the KTTPL Project at the risk and cost of KTTPL and recover such cost, in addition to 25.0% of the cost as damages, from KTTPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the KTTPL Operations Period: KTTPL will undertake periodic inspection of the KTTPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the "**KTTPL Maintenance Report**") to the NHAI and the KTTPL Independent Consultant. The KTTPL Independent Consultant will review the KTTPL Maintenance Report and submit a report (the "**KTTPL O&M Inspection Report**") to the NHAI and KTTPL. KTTPL is thereafter required to remedy defects and deficiencies as set out in the KTTPL O&M Inspection Report within 30 days from the receipt of such KTTPL O&M Inspection Report, failing which, KTTPL will submit progress reports of such work once a fortnight. KTTPL will also undertake tests if such tests are specified in the KTTPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and KTTPL Independent Consultant. In addition, KTTPL will provide the NHAI with a statement of fees once a month.

Construction of Additional Tollway: Under the KTTPL Concession Agreement, the NHAI, Gol or Government of Tamil Nadu is entitled to construct or operate an expressway or other toll road but not a bye-pass (the "**Additional Tollway**") upon the eighth anniversary of the

appointed date. The Additional Tollway must not exceed the length of the KTTPL Project by more than 20.0%, tolls levied must not exceed more than 33.0% of the applicable tolls levied on the KTTPL Project and it must bypass at least one toll plaza of the KTTPL Project.

In addition, upon the commissioning of such Additional Tollway, the concession period applicable to the KTTPL Project will be increased by half the number of years by which such commissioning precedes the end of the KTTPL Operations Period.

KTTPL will not give discounts on tolls without the NHAI's written consent, provided that any discounts given to any particular class of users or vehicles for a continuous period of three years prior to the commissioning of the Additional Tollway, will continue to apply.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the KTTPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which KTTPL will be given an option to participate. If KTTPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that KTTPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the KTTPL Concession Agreement upon paying the termination payment to KTTPL.

Limitations on shareholding changes: Under the terms of the KTTPL Concession Agreement, KTTPL is subject to restrictions on any change in ownership which is triggered if L&T and its associates cause shareholding in KTTPL to fall below 26.0% from three years after the commercial operations date of the KTTPL Project for the rest of the KTTPL Operations Period. The occurrence of such an event which is not rectified within 90 days of its occurrence will constitute an event of default under the KTTPL Concession Agreement. However, the NHAI has since issued Circular No. 11033/CGM (FA)/4/2015 to permit the divestment by a promoter (in this case, L&T) of its stake in KTTPL any time after two years from the construction completion of the KTTPL Project.

Insurance: KTTPL is required to maintain, at its own cost (or through an O&M provider), during the term of the KTTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by KTTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from KTTPL.

Escrow account: KTTPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the "**KTTPL Escrow Agreement**"). The KTTPL Concession Agreement provides that funds from the KTTPL Project's lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the KTTPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the KTTPL Escrow Agreement, KTTPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by KTTPL in respect of the KTTPL Project;
- all expenses in relation to construction of the KTTPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the terms of the relevant financing agreements but not exceeding the limit set out in the KTTPL Concession Agreement;
- the expenses related to completing the punch list (as defined in the KTTPL Concession Agreement) incurred by the NHAI and subject to the terms of the KTTPL Escrow Agreement;
- the expenses related to repair work or O&M incurred by the NHAI and subject to

the terms of the KTTPL Escrow Agreement;

- all concession fee and negative grant due and payable by KTTPL to the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the KTTPL Project in accordance with the relevant financing agreements in an accounting year;
- reimbursement of sums paid by the NHAI;
- one half of such amounts due to the KTTPL Independent Consultant if KTTPL fails to make the payments within 15 days of receiving a statement of expenditure from the NHAI;
- any payments and damages payable to the NHAI by KTTPL under the KTTPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of KTTPL.

Upon termination of the KTTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by KTTPL in respect of the KTTPL Project;
- all concession fees and negative grant due and payable by the NHAI;
- all amounts due and payable to the lenders to the KTTPL Project in accordance with the relevant financing agreements in an accounting year;
- any payments and damages payable to the NHAI by KTTPL under the KTTPL Concession Agreement;
- all accrued O&M expenses;
- any other payments required to be made under the KTTPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of KTTPL.

Indemnities: KTTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of KTTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by KTTPL without reimbursement under the KTTPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to KTTPL or its contractors which are payable by any such party. In addition, KTTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by KTTPL or its contractors. KTTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. KTTPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, KTTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the KTTPL Project have step-in rights to substitute KTTPL in the event KTTPL breaches or defaults under the KTTPL Concession Agreement, provided that the NHAI will give 90 days to KTTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and KTTPL will bear their respective cost; (ii) an indirect political event, KTTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to KTTPL; and (iii) a political event, the NHAI will reimburse a lump sum or pay instalments with interest the force majeure cost incurred and certified by the statutory

auditors, provided that no force majeure cost will be payable by the NHAI if the concession period is extended.

In the event of termination of the KTTPL Concession Agreement, the NHAI is required to make termination payments to KTTPL. In the event of termination due to:

- (i) a non-political event, the NHAI will pay KTTPL an amount equal to 90.0% of the debt due and the entire subordinated debt, less insurance claims due, if any, provided that if some insurance claims were not admitted, 90.0% of such claims would be included in the computation of the debt due;
- (ii) an indirect political event, the NHAI will pay KTTPL an amount equal to the sum of:
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; plus
 - b. the outstanding subordinated debt; plus
 - c. 110.0% of the equity spent on the KTTPL Project if termination occurs at any time between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum; and
- (iii) a political event, the NHAI will pay KTTPL an amount equal to the sum of:
 - a. the debt due,
 - b. 120.0% of the outstanding subordinated debt; and
 - c. 150.0% of the equity spent on the Project if termination occurs at any time between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum.

Compensation for breach of the KTTPL Concession Agreement: In the event KTTPL is in material breach of the KTTPL Concession Agreement and the cure period of such a breach has expired, KTTPL will pay the NHAI all direct additional costs suffered or incurred by the NHAI. In the event the NHAI is in material breach of the KTTPL Concession Agreement and the cure period of such a breach has expired, the NHAI will pay the KTTPL all direct additional costs suffered or incurred by KTTPL.

Termination: The KTTPL Concession Agreement may be terminated on the occurrence of KTTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the KTTPL Concession Agreement. KTTPL will be deemed to be in default of the KTTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- KTTPL fails to achieve financial close (as defined in the KTTPL Concession Agreement) in accordance with the terms of the KTTPL Concession Agreement;
- KTTPL fails to achieve any milestones (as described in the KTTPL Concession Agreement) within the period set out in the KTTPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- KTTPL is in material breach of the KTTPL Concession Agreement;
- KTTPL defaults as a result of its failure to comply with the terms and conditions of the KTTPL Concession Agreement, and in respect of defaults with cure periods, KTTPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits KTTPL to put forward

- a programme with details for remedying any breach within 15 days of notice by NHAI;
- KTTPL creates any encumbrance, charge or lien, in breach of the KTTPL Concession Agreement;
- the shareholding of L&T and its associates falls below the minimum prescribed limits under the KTTPL Concession Agreement and such default is not cured within 90 days of its occurrence;
- there is a transfer of either (i) the rights and/or obligations of KTTPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of KTTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of KTTPL to perform and KTTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of KTTPL for the voluntary winding up of KTTPL;
- KTTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for KTTPL or on any of its property that has a material bearing on the KTTPL Project;
- any petition for the winding up of the KTTPL is admitted by a court of competent jurisdiction or the KTTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the KTTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of KTTPL under the KTTPL Concession Agreement and the KTTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the KTTPL Concession Agreement and project agreements by the KTTPL; (ii) such entity has the financial standing to perform its obligations under the KTTPL Concession Agreement and project agreements by the KTTPL and has a credit worthiness at least as good as KTTPL as of the financial close (as defined in the KTTPL Concession Agreement); and (iii) each project agreement by the KTTPL remains in full force and in effect;
- a material breach of any of the project agreements by KTTPL;
- an event of default by KTTPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- KTTPL abandons the operations of the KTTPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- KTTPL repudiates the KTTPL Concession Agreement or otherwise conveys an intention not to be bound by the KTTPL Concession Agreement;
- a material adverse effect occurs on the KTTPL Project which continues for 15 days from the date of such occurrence;
- KTTPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or
- KTTPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the KTTPL Concession Agreement) in accordance with the KTTPL Concession Agreement.

Upon an event of default by KTTPL following which the NHAI terminates the KTTPL Concession Agreement, the NHAI will pay KTTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

KTTPL may terminate the KTTPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the KTTPL Concession Agreement, causing a material adverse effect on KTTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the KTTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the GoI, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of KTTPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to KTTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which KTTPL terminates the KTTPL Concession Agreement, the NHAI will pay KTTPL an amount equal to the sum of (1) the total debt due, plus (2) 120.0% of the total subordinated debt, plus (3) 150.0% of the equity (subscribed in cash and actually spent on the KTTPL Project) in KTTPL if the termination occurs three years from the appointed date (that is, 180 days after the signing of the KTTPL Concession Agreement), and for each successive year thereafter, the amount will be adjusted every year to reflect the changes in WPI, during such year such that the adjusted amount is a reduction of 7.5% per annum from the previous year's amount.

Defects liability after termination: KTTPL and the KTTPL Independent Consultant will conduct a joint inspection of the KTTPL Project not less than 30 months or more than 36 months prior to the expiry of the term of the KTTPL Concession Agreement. KTTPL will thereafter conduct a second joint inspection not less than nine months or more than 12 months prior to the expiry of the term of the KTTPL Concession Agreement. KTTPL will carry out renewal works, at its own cost, in accordance with the procedure set out under the terms of the KTTPL Concession Agreement.

In addition, an amount equal to the higher of (i) the tolls collected in the last two years of the term of the KTTPL Concession Agreement for a traffic volume of 10,000 PCUs per day per year two years before the expiry of the term of the KTTPL Concession Agreement, or (ii) such sum estimated by the KTTPL Independent Consultant to be used for renewal works, will be retained in the escrow account, provided that if KTTPL issues a bank guarantee in equivalent sum in favor of the NHAI, no retention of sums in the escrow account is required.

Renewal: The concession agreement has a periodic renewal provision of bituminous overlay once in every 5 years commencing after issuance of Provisional Certificate or earlier where the roughness value reaches 3000mm/km to bring it to the initial value of 2000mm/km.

10.The Western Andhra Tollways Private Limited (WATPL) Project

The WATPL Concession Agreement

Tolls: WATPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the WATPL Project until the end of the concession period (the "**WATPL Operations Period**"). The toll rates will be determined in accordance with the fees detailed in the WATPL Concession Agreement.

As consideration, WATPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the WATPL Project in accordance with the

WATPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. WATPL pays the NHAI Re. 1.00 per year, as concession fees, during the term of the WATPL Concession Agreement.

Change in scope of work: The NHAI may, in the form of a change in scope order, require WATPL to perform additional work and services during the WATPL Operations Period, provided that such change in scope order does not incur costs exceeding 20.0% of the total cost of the WATPL Project. The costs incurred will be paid by the NHAI.

Exemption for users: WATPL will collect tolls from local users at a discounted rate as specified in the WATPL Concession Agreement. WATPL will not collect tolls from users on exempted vehicles.

O&M: WATPL is required to, among other things, operate and maintain the WATPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the WATPL Project to comply with the requirements set out in the WATPL Concession Agreement. WATPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the WATPL Concession Agreement;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the WATPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: WATPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**WATPL Independent Consultant**"), prepare a repair and maintenance manual (the "**WATPL Maintenance Manual**") for the regular and periodic maintenance of the WATPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the WATPL Concession Agreement.

Maintenance Programme: WATPL is required to, in consultation with the WATPL Independent Consultant; provide the NHAI a programme for preventive and other scheduled maintenance of the WATPL Project (the "**WATPL Maintenance Programme**") to ensure compliance with the WATPL Maintenance Manual. The WATPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the WATPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which WATPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) Lane closure schedules for each type of maintenance.

Remedial measures: In the event that WATPL fails to maintain or repair the WATPL Project in accordance with the specifications and standards set out in the WATPL Concession Agreement, the WATPL Maintenance Manual or the WATPL Maintenance Programme, and fails to commence remedial work within 30 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the WATPL Project at the risk and cost of WATPL and recover such cost, in addition to 25.0% of the cost as damages, from WATPL. The NHAI is entitled to recover the sums from the escrow account.

Monitoring and supervision during the WATPL Operations Period: WATPL will undertake periodic inspection of the WATPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the "**WATPL Maintenance Report**") to the NHAI and the WATPL Independent Consultant. The WATPL Independent

Consultant will review the WATPL Maintenance Report and submit a report (the "**WATPL O&M Inspection Report**") to the NHAI and WATPL. WATPL is thereafter required to remedy defects and deficiencies as set out in the WATPL O&M Inspection Report within 30 days from the receipt of such WATPL O&M Inspection Report, failing which, WATPL will submit progress reports of such work once a fortnight. WATPL will also undertake tests if such tests are specified in the WATPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and WATPL Independent Consultant. In addition, WATPL will provide the NHAI with a statement of fees once a month.

Construction of Additional Tollway: Under the WATPL Concession Agreement, the NHAI, GoI or Government of Andhra Pradesh is entitled to construct or operate an expressway or other toll road but not a bye-pass (the "**Additional Tollway**") upon the eighth anniversary of the appointed date. The Additional Tollway must not exceed the length of the WATPL Project by more than 20.0%, tolls levied must not exceed more than 33.0% of the applicable tolls levied on the WATPL Project and it must bypass at least one toll plaza of the WATPL Project.

In addition, upon the commissioning of such Additional Tollway, the concession period applicable to the WATPL Project will be increased by half the number of years by which such commissioning precedes the end of the WATPL Operations Period.

WATPL will not give discounts on tolls without the NHAI's written consent, provided that any discounts given to any particular class of users or vehicles for a continuous period of three years prior to the commissioning of the Additional Tollway, will continue to apply.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the WATPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which WATPL will be given an option to participate. If WATPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that WATPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the WATPL Concession Agreement.

Limitations on shareholding changes: Under the terms of the WATPL Concession Agreement, WATPL is subject to restrictions on any change in ownership which is triggered if L&T and its associates cause shareholding in WATPL to fall below 26.0% from three years after the commercial operations date of the WATPL Project for the rest of the WATPL Operations Period. The occurrence of such an event which is not rectified within 90 days of its occurrence will constitute an event of default under the WATPL Concession Agreement. However, the NHAI has since issued Circular No. 11033/CGM (FA)/4/2015 to permit the divestment by a promoter (in this case, L&T) of its stake in WATPL any time after two years from the completion of construction of the WATPL Project.

Insurance: WATPL is required to maintain, at its own cost (or through an O&M provider), during the term of the WATPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by WATPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from WATPL.

Escrow account: WATPL has opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the "**WATPL Escrow Agreement**"). The WATPL Concession Agreement provides that funds from the WATPL Project lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the WATPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the WATPL Escrow Agreement, WATPL must instruct the escrow bank to make payments in the order below

each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by WATPL in respect of the WATPL Project;
- all expenses in relation to construction of the WATPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the terms of the relevant financing agreements but not exceeding the limit set out in the WATPL Concession Agreement;
- the expenses related to completing the punch list (as defined in the WATPL Concession Agreement) incurred by the NHAI and subject to the terms of the KTTPL Escrow Agreement;
- the expenses related to repair work or O&M incurred by the NHAI and subject to the terms of the WATPL Escrow Agreement;
- all concession fee and negative grant due and payable by WATPL to the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the WATPL Project in accordance with the relevant financing agreements in an accounting year;
- reimbursement of sums paid by the NHAI;
- one half of such amounts due to the WATPL Independent Consultant if WATPL fails to make the payments within 15 days of receiving a statement of expenditure from the NHAI;
- any payments and damages payable to the NHAI by WATPL under the WATPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of WATPL.

Upon termination of the WATPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by WATPL in respect of the WATPL Project;
- all concession fees and negative grant due and payable by the NHAI;
- all amounts due and payable to the lenders to the WATPL Project in accordance with the relevant financing agreements in an accounting year;
- any payments and damages payable to the NHAI by WATPL under the WATPL Concession Agreement;
- all accrued O&M expenses;
- any other payments required to be made under the WATPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of WATPL.

Upon an event of default by the NHAI following which WATPL terminates the WATPL Concession Agreement, the NHAI will pay WATPL an amount equal to the sum of (1) the total debt due, plus (2) 120.0% of the total subordinated debt, plus (3) 150.0% of the equity (subscribed in cash and actually spent on the WATPL Project, excluding the amounts provided by way of equity support provided in the WATPL Concession Agreement) in WATPL if the termination occurs three years from the appointed date (that is, 180 days after the signing of the WATPL Concession Agreement), and for every successive year thereafter, such amount will be adjusted every year to reflect the changes in WPI during such year such that the adjusted amount is a reduction of 7.5% per annum from the previous year's amount.

Indemnities: WATPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and

contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of WATPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by WATPL without reimbursement under the WATPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to WATPL or its contractors which are payable by any such party. In addition, WATPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by WATPL or its contractors. WATPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. WATPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, WATPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the WATPL Project have step-in rights to substitute WATPL in the event WATPL breaches or defaults under the WATPL Concession Agreement, provided that the NHAI will give 90 days to WATPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and WATPL will bear their respective cost; (ii) an indirect political event, WATPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to WATPL; and (iii) a political event, the NHAI will reimburse a lump sum or pay instalments with interest the force majeure cost incurred and certified by the statutory auditors, provided that no force majeure cost will be payable by the NHAI if the concession period is extended.

In the event of termination of the WATPL Concession Agreement the NHAI is required to make termination payments to WATPL. In the event of termination due to:

- (i) a non-political event, the NHAI will pay WATPL an amount equal to 90.0% of the debt due and the entire subordinated debt, less insurance claims due, if any, provided that if some insurance claims were not admitted, 90.0% of such claims would be included in the computation of the debt due;
- (ii) an indirect political event, the NHAI will pay WATPL an amount equal to the sum of:
 - a. the debt due, less insurance claims, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due;
 - b. the outstanding subordinated debt; and
 - c. 110.0% of the equity spent on the WATPL Project if termination occurs at any time between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum; and
- (iii) a political event, the NHAI will pay WATPL an amount equal to the sum of:
 - a. the debt due,
 - b. 120.0% of the outstanding subordinated debt; and
 - c. 150.0% of the equity spent on the Project if termination occurs at any time

between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum.

Compensation for breach of the WATPL Concession Agreement In the event WATPL is in material breach of the WATPL Concession Agreement and the cure period of such a breach has expired, WATPL will pay the NHAI all direct additional costs suffered or incurred by the NHAI. In the event the NHAI is in material breach of the WATPL Concession Agreement and the cure period of such a breach has expired, the NHAI will pay the WATPL all direct additional costs suffered or incurred by WATPL.

Termination: The WATPL Concession Agreement may be terminated on the occurrence of WATPL's default or the NHAI's default and in each case the default has not been cured under the terms of the WATPL Concession Agreement. WATPL will be deemed to be in default of the WATPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- WATPL fails to achieve financial close (as defined in the WATPL Concession Agreement) in accordance with the terms of the WATPL Concession Agreement;
- WATPL fails to achieve any milestones (as described in the WATPL Concession Agreement) within the period set out in the WATPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- WATPL is in material breach of the WATPL Concession Agreement;
- WATPL defaults as a result of its failure to comply with the terms and conditions of the WATPL Concession Agreement, and in respect of defaults with cure periods, WATPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits WATPL to put forward a programme with details for remedying any breach within 15 days of notice by NHAI;
- WATPL creates any encumbrance, charge or lien, in breach of the WATPL Concession Agreement;
- the shareholding of L&T and its associates falls below the minimum prescribed limits under the WATPL Concession Agreement and such default is not cured within 90 days of its occurrence;
- there is a transfer of either (i) the rights and/or obligations of WATPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of WATPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of WATPL to perform and WATPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of WATPL for the voluntary winding up of WATPL;
- WATPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for WATPL or on any of its property that has a material bearing on the WATPL Project;
- any petition for the winding up of the WATPL is admitted by a court of competent jurisdiction or the WATPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the WATPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of WATPL under the WATPL Concession Agreement and the WATPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the WATPL Concession Agreement and project agreements by the WATPL; (ii) such entity has the financial standing to perform its obligations under the WATPL

Concession Agreement and project agreements by the WATPL and has a credit worthiness at least as good as WATPL as of the financial close (as defined in the WATPL Concession Agreement); and (iii) each project agreement by the WATPL remains in full force and in effect;

- a material breach of any of the project agreements by WATPL;
- an event of default by WATPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;
- WATPL abandons the operations of the WATPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- WATPL repudiates the WATPL Concession Agreement or otherwise conveys an intention not to be bound by the WATPL Concession Agreement;
- a material adverse effect occurs on the WATPL Project which continues for 15 days from the date of such occurrence;
- WATPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or
- WATPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the WATPL Concession Agreement) in accordance with the WATPL Concession Agreement.

Upon an event of default by WATPL following which the NHAI terminates the WATPL Concession Agreement, the NHAI will pay WATPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

WATPL may terminate the WATPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the WATPL Concession Agreement, causing a material adverse effect on WATPL and such breach is not rectified within the cure period;
- the NHAI repudiates the WATPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the Gol, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of WATPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to WATPL and such delay exceeds 90 days.

Defects liability : WATPL and the WATPL Independent Consultant will conduct a joint inspection of the WATPL Project not less than 30 months or more than 36 months prior to the expiry of the term of the WATPL Concession Agreement. WATPL will thereafter conduct a second joint inspection not less than nine months or more than 12 months prior to the expiry of the term of the WATPL Concession Agreement. WATPL will carry out renewal works, at its own cost, in accordance with the procedure set out under the terms of the WATPL Concession Agreement.

In addition, an amount equal to the higher of (i) the tolls collected in the last two years of the

term of the WATPL Concession Agreement for a traffic volume of 10,000 PCUs per day per year two years before the expiry of the term of the WATPL Concession Agreement, or (ii) such sum estimated by the WATPL Independent Consultant to be used for renewal works, will be retained in the escrow account, provided that WATPL issues a bank guarantee in equivalent sum in favor of the NHAI, no retention of sums in the escrow account is required.

Renewal: The concession agreement a renewal provision of bituminous overlay once in every 5 years commencing after issuance of Provisional Certificate or earlier where the roughness value reaches 3000mm/km to bring it to the initial value of 2000mm/km.

11. The Krishnagiri Walajahphet Tollway Private Limited (KWTPPL) Project

KWTPPL Concession Agreement

Tolls: KWTPPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the KWTPPL Project until the end of the concession period (the “**KWTPPL Operations Period**”). The toll rates will be determined in accordance with the KWTPPL Concession Agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

As consideration, KWTPPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the KWTPPL Project in accordance with the KWTPPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. KWTPPL pays the NHAI Rs. 1.00 per year, as concession fees, during the term of the concession agreement. In addition, KWTPPL will pay a ‘premium’ concession fee, amounting to 7.01% of the ‘realisable fee’, to the NHAI for the first year of the concession period, and for each subsequent year, such ‘premium’ concession fee will be increased by 1.0% from the previous year’s ‘premium’ concession fee. The ‘realisable fee’ is determined on the basis that the number of PCUs in the first year after the commercial operation date of the KWTPPL Project will be the higher of the actual PCUs and 20,962 PCUs and that the number of PCUs for each subsequent year will be deemed to be the higher of the actual number of PCUs and 2.0% greater than the PCUs considered for the immediately preceding year. The realisable fee will also be determined on the basis of the fees due and payable by the users of the KWTPPL Project.

Change in scope of work: The NHAI may require KWTPPL to perform additional work and services not originally included in the scope of work of KWTPPL, provided that such change is considered by the NHAI to be essential, do not require any change in the expenditure exceeding 5.0% of the total cost of the KWTPPL Project for a continuous period of three years or if such costs exceed 20.0% of the total cost of the KWTPPL Project and the commercial operation date is not adversely affected, in the manner set out in the KWTPPL Concession Agreement.

Exemption for users: KWTPPL will issue passes to and not collect tolls from local users who use the KWTPPL Project on a non-commercial basis, commute a section of the KWTPPL Project and cross a toll plaza. KWTPPL will, upon request from any person, issue a return pass upon payment of 150.0% of the toll payable for a single one-way trip or issue 50 or more one-way toll tickets at a discounted rate of two-thirds of the toll payable. The return pass will entitle the relevant vehicle to make a return journey within 24 hours from the time the toll was paid and the discounted one-way toll tickets will be valid for one month from the date the toll was paid.

Additional fee: KWTPPL is required to charge additional toll on users with overloaded vehicles. Such additional toll will be levied either on the basis of the fee applicable to the next higher category of vehicles or the actual gross vehicle weight as measured by a standardised static weighing machine to be installed by KWTPPL at each toll plaza. KWTPPL has the right to prevent the overloaded vehicle from going on the road until the excess load

on such an overloaded vehicle is removed.

Excess fee: If the average daily traffic of PCUs in an accounting year reaches 120.0% of the designed capacity (that is, 120,000 PCUs) (the “**KWTPL Traffic Cap**”), the fees collected from traffic exceeding the KWTPL Traffic Cap will be due and payable to the NHAJ in accordance with the terms of the KWTPL Concession Agreement.

O&M: KWTPL is required to, among other things, operate and maintain the KWTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the KWTPL Project to comply with the requirements set out in the KWTPL Concession Agreement. KWTPL’s O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- collecting and appropriating tolls from vehicular traffic;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the KWTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: KWTPL is required to, in consultation with the independent consultant appointed by the NHAJ (the “**KWTPL Independent Consultant**”), prepare a repair and maintenance manual (the “**KWTPL Maintenance Manual**”) for the regular and preventive maintenance of the KWTPL Project in accordance with the specifications and standards and maintenance requirements set out in the KWTPL Concession Agreement. KWTPL is required to update the KWTPL Maintenance Manual once every three years.

Maintenance Programme: KWTPL is required to, in consultation with the KWTPL Independent Consultant, provide the NHAJ a programme for preventive and other scheduled maintenance of the KWTPL Project (the “**KWTPL Maintenance Programme**”) to ensure compliance with the KWTPL Maintenance Manual. The KWTPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the KWTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which KWTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) arrangements and procedures for carrying out safety related measures.

Remedial measures: In the event that KWTPL fails to maintain or repair the KWTPL Project in accordance with the specifications and standards set out in the KWTPL Concession Agreement, the KWTPL Maintenance Manual or the KWTPL Maintenance Programme, and fails to commence remedial work within 15 days of notice, the NHAJ will be entitled to undertake such repair and maintenance of the KWTPL Project at the risk and cost of KWTPL and recover such cost, in addition to 20.0% of the cost as damages, from KWTPL. The NHAJ is entitled to recover the sums from the escrow account.

KWTPL is required to meet the maintenance requirements for all stretches of roads, overpasses, underpasses and other structures situated on the site (as defined in the KWTPL Concession Agreement) but not part of the carriageway, as set out in the KWTPL Concession Agreement. KWTPL is deemed to be in breach of the KWTPL Concession Agreement if it fails to meet such maintenance requirements within the specified period. The NHAJ will be entitled to damages calculated at the higher of (i) 0.5% of the average daily fee; and (ii) 0.1% of the cost of such repair or rectification as estimated by the KWTPL Independent Consultant.

If the actual traffic exceeds the design capacity during any year or part thereof and KWTPL

fails to repair or rectify any defect or deficiency within the specified period, KWTPL will be deemed to be in breach of the KWTPL Concession Agreement and the NHAI will be entitled to damages calculated at the higher of (i) 0.5% of the average daily fee and (ii) 0.1% of the cost of such repair or rectification as estimated by the KWTPL Independent Consultant, for the KWTPL Operations Period.

Monitoring and supervision during the KWTPL Operations Period: KWTPL will, within seven days after the end of a month, provide monthly reports to the NHAI and KWTPL Independent Consultant. The KWTPL Independent Consultant will inspect the KWTPL Project at least once a month and submit reports of such inspection (the “**KWTPL O&M Inspection Report**”) to the NHAI and KWTPL. KWTPL is thereafter required to remedy defects and deficiencies as set out in the KWTPL O&M Inspection Report within 15 days from the receipt of such KWTPL O&M Inspection Report, failing which, KWTPL will submit progress reports of such work once a week. KWTPL will also undertake tests if such tests are specified in the KWTPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by KWTPL do not conform to the requirements set out in the KWTPL O&M Inspection Report.

Construction of Additional Tollway: Under the KWTPL Concession Agreement, the NHAI is entitled to construct or operate an expressway or other toll road (the “**Additional Tollway**”) upon the 15th anniversary of the appointed date. The Additional Tollway must not exceed the length of the KWTPL Project by more than 20.0%. In addition, if the Additional Tollway is opened to traffic between the 15th and 30th anniversary of the appointed date, KWTPL will be entitled to an additional concession period equal to the duration between the opening of the Additional Tollway and the 30th anniversary of the original concession period under the KWTPL Concession Agreement.

Competing Roads: The NHAI, the GoI or any other relevant state government must not direct the construction of a competing road before the 10th anniversary of the appointed date provided that this restriction does not apply if the average traffic on the KWTPL Project in any year exceeds 90.0% of the designed capacity (that is, 120,000 PCUs). The NHAI will be required to compensate KWTPL if such competing road or additional tollway is opened to traffic in breach of the KWTPL Concession Agreement. The NHAI will pay KWTPL an amount equal to the difference between the average daily realisation fee and the projected daily fee (the “**Projected Fee**”) until the breach is cured. The Projected Fee is calculated as the amount equal to the average daily fee, increased at the end of each month by 0.5% and revised according to the terms of the KWTPL Concession Agreement. Such compensation is payable in addition to termination payments, if any.

Modification of the Concession Period: Traffic on the KWTPL Project on April 1, 2020 (the “**Target Date**”) is estimated to be 35,852 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. KWTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Augmentation of capacity: If the average daily traffic of PCUs in an accounting year reaches 60,000 PCUs on specified locations set out in the KWTPL Concession Agreement, KWTPL must construct a service road on either side of the carriageway at its own cost. If the average daily traffic of PCUs in an accounting year (that is, 120,000 PCUs) exceeds the designed capacity of the KWTPL Project and will continue to exceed the designed capacity for three accounting years thereafter, an indirect political event will be deemed to have occurred and the NHAI will be entitled to terminate the KWTPL Concession Agreement by issuing a termination notice and making a termination payment.

KWTPL will be informed of the NHAI's intention to issue such notice and shall have 180 days to make a representation to the NHAI. If KWTPL completes construction work to augment the capacity of the KWTPL Project before the 180 day period, the indirect political event will be deemed to be cured.

Limitations on shareholding changes: Under the terms of the KWTPL Concession Agreement, KWTPL is subject to restrictions on any change in ownership which is triggered by a sale of 15.0% or more of the shares in KWTPL or a change in the majority of the board of directors of KWTPL. A change in ownership is not permitted except with the prior approval of the NHAI (from a national security and public interest perspective), whose decision will be final and binding on KWTPL. However, the NHAI has since issued Circular No. 11033/CGM (FA)/4/2015 to permit the divestment by a promoter (in this case, L&T) of its stake in KWTPL any time after two years from the completion of construction of the KWTPL Project.

Insurance: KWTPL is required to maintain, at its own cost, during the term of the KWTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by KWTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from KWTPL.

Escrow account: KWTPL has opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**KWTPL Escrow Agreement**”). The KWTPL Concession Agreement provides that funds from the KWTPL Project lenders, tolls collected and payments by the NHAI, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the KWTPL Escrow Agreement, KWTPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by KWTPL in respect of the KWTPL Project;
- all payments in relation to construction of the KWTPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the ceiling, if any, set out in the relevant financing agreements;
- O&M expenses incurred by the NHAI in accordance with the KWTPL Concession Agreement and as certificated by the NHAI as due and payable;
- concession fee due and payable by the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the KWTPL Project in accordance with the relevant financing agreements in an accounting year;
- premium (as defined in the KWTPL Concession Agreement) due and payable to the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- monthly proportionate sums for amounts due in respect of the subordinated debt;
- any reserve requirements as set out under the relevant financing agreements; and
- the balance, if any, in accordance with the instructions of KWTPL.

Upon an event of default by KWTPL following which the NHAI terminates the KWTPL Concession Agreement, the NHAI will pay KWTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

Upon termination of the KWTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by KWTPL in respect of the KWTPL Project;
- 90.0% of the outstanding amounts due and payable to the lenders to the KWTPL Project in accordance with the relevant financing agreements in an accounting year, excluding the subordinated debt;
- all outstanding concession fees due and payable by the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- all retention and payments related to the liability for defects and deficiencies after termination of the KWTPL Concession Agreement;
- all remaining amounts due and payable to the lenders to the KWTPL Project in accordance with the relevant financing agreements in an accounting year;
- all outstanding subordinated debt;
- all incurred or accrued O&M expenses;
- any other payments required to be made under the KWTPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of KWTPL.

Indemnities: KWTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of KWTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, or (iii) make payment of amounts due resulting from materials or services provided to KWTPL or its contractors which are payable by any such party. In addition, KWTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by KWTPL or its contractors. KWTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. KWTPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, KWTPL will, at its own expense and without affecting the specifications,

- (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the KWTPL Project have step-in rights to substitute KWTPL in the event KWTPL breaches or defaults under the KWTPL Concession Agreement, provided that the NHAI will give 120 days to KWTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and KWTPL will bear their respective cost; (ii) an indirect political event, the KWTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to KWTPL; and (iii) a political event, the NHAI will reimburse such cost to KWTPL.

In the event of termination of the KWTPL Concession Agreement the NHAI is required to make termination payments to KWTPL. In the event of termination due to:

- (i) a non-political event, the NHAI will pay KWTPL an amount equal to 90.0% of the debt due, less insurance claims due;
- (ii) an indirect political event, the NHAI will pay KWTPL an amount equal to the sum of:

- a. the debt due, less insurance claims, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the adjusted equity (as defined in the KWTPL Concession Agreement);
- and
- (iii) a political event, the NHAI will pay KWTPL an amount KWTPL is entitled to in the event of a default by the NHAI.

Compensation for breach of the KWTPL Concession Agreement: In the event KWTPL is in material breach of the KWTPL Concession Agreement, KWTPL will compensate the NHAI all direct costs suffered or incurred by the NHAI as a result of such default. In the event the NHAI is in breach of the KWTPL Concession Agreement, the NHAI will compensate KWTPL all direct costs suffered or incurred by KWTPL as a result of such default. In addition, if such an event causes a suspension or reduction in collection of tolls, the NHAI will extend the concession period by the duration in which such concession period was affected, and if the daily collection is less than 90.0% of the average daily fee, the NHAI will extend the concession period in proportion to the loss of tolls for the daily basis.

Termination: The KWTPL Concession Agreement may be terminated on the occurrence of KWTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the KWTPL Concession Agreement. KWTPL will be deemed to be in default of the KWTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- the performance security has been encashed and appropriated according to the terms of the KWTPL Concession Agreement and such performance security is not replenished or furnished within 30 days;
- subsequent to the replenishment or furnishing of the performance security, KWTPL fails to cure its default for which the whole or part of the performance security was appropriated, within 90 days;
- KWTPL fails to achieve any milestones (as described in the KWTPL Concession Agreement) within the period set out in the KWTPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- KWTPL abandons or shows its intention to abandon the operations of the KWTPL Project without the prior consent of the NHAI;
- KWTPL is in breach of the maintenance requirements or the safety requirements (each of which is as defined in the KWTPL Concession Agreement), as the case may be;
- KWTPL fails to make any payment due to the NHAI within the specified period;
- an escrow default has occurred and KWTPL fails to cure the default within a cure period of 15 days;
- the representative of the lenders to the KWTPL Project has, by notice to the NHAI, undertaken a suspension or termination, as the case may be, in accordance with the substitution agreement and KWTPL fails to cure the default within the specified cure period;
- a material breach of any of the project agreements by KWTPL;
- KWTPL creates any encumbrance in breach of the KWTPL Concession Agreement;
- KWTPL repudiates the KWTPL Concession Agreement or otherwise conveys an intention not to be bound by the KWTPL Concession Agreement;
- a change in ownership has occurred;

- there is a transfer of either (i) the rights and/or obligations of KWTPL under any of the project agreements or (ii) of all or part of the assets or undertaking of KWTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of KWTPL to perform and KWTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a material breach of the KWTPL Concession Agreement has occurred as a result of an execution on any of the assets of KWTPL;
- KWTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for KWTPL or on any of its property that has a material bearing on the KWTPL Project;
- KWTPL has been or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would, in the reasonable opinion of the NHAI, cause a material breach;
- a resolution for or any petition for the winding up of the KWTPL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 days or the KWTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the KWTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of KWTPL under the KWTPL Concession Agreement and the KWTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the KWTPL Concession Agreement and project agreements by the KWTPL; (ii) such entity has the financial standing to perform its obligations under the KWTPL Concession Agreement and project agreements by the KWTPL and has a credit worthiness at least as good as KWTPL as of the financial close (as defined in the KWTPL Concession Agreement); and (iii) each project agreement by the KWTPL remains in full force and in effect;
- any representation or warranty of KWTPL set out in the KWTPL Concession Agreement which KWTPL is in breach of or is found to be materially false of KWTPL;
- KWTPL submits to the NHAI any statement, notice or document, which has a material effect on the NHAI's rights, obligations or interests and which is materially false in its content;
- KWTPL fails to fulfil its obligation in the KWTPL Concession Agreement; or
- KWTPL commits a default in complying with any other provision of the KWTPL Concession Agreement if such default causes a material adverse effect on the NHAI.

KWTPL may terminate the KWTPL Concession Agreement by giving a 90 days' cure period to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the KWTPL Concession Agreement, causing a material adverse effect on KWTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the KWTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it; or
- the NHAI has failed to make any payment due to KWTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which KWTPL terminates the KWTPL Concession Agreement, the NHAI will pay KWTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity (as defined in the KWTPL Concession Agreement).

Upon an event of default by the KWTPL following which NHAI terminates the KWTPL Concession Agreement, the NHAI will pay KWTPL an amount equal to 90% of debt due less insurance cover, provided if any insurance claim is not admitted and paid, then 80% of such unpaid insurance claim shall be included in the debt due.

Defects liability after termination: KWTPL will be liable for all defects and deficiencies of the KWTPL Project for a period of 120 days after the termination of the KWTPL Concession Agreement. For this purpose, a sum equal to 5.0% of the total tolls collected for the year immediately preceding the date that the KWTPL Project is transferred to the NHAI will be retained in an escrow account for 120 days after termination. KWTPL may, instead of retaining 5.0% of the total tolls collected, provide to the NHAI a guarantee from a bank in an amount equal to such amount for the purposes of meeting its post termination defects liability obligations.

Renewal: The concession agreement does not contain a renewal provision.

12. The Devihalli Hassan Tollway Private Limited (DHTPL) Project

The DHTPL Concession Agreement

Tolls: DHTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the DHTPL Project until the end of the concession period (the “**DHTPL Operations Period**”). The toll rates will be determined in accordance with the DHTPL Concession Agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

As consideration, DHTPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the DHTPL Project in accordance with the DHTPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. DHTPL pays the NHAI Rs. 1.00 per year, as concession fees, during the term of the DHTPL Concession Agreement.

Change in scope of work: The NHAI may require DHTPL to perform additional work and services not originally included in the scope of work of the DHTPL Project, provided that such change is considered by the NHAI to be essential. However, DHTPL is entitled to nullify the change of scope order if the cumulative costs in such change of scope for the preceding three years exceed 5.0% of the cost of the DHTPL Project or if such cumulative costs exceed 20.0% of the total cost of the DHTPL Project at any time during the DHTPL Operations Period.

Exemption for users: DHTPL will issue passes to and not collect tolls from local users who use the DHTPL Project on a non-commercial basis, commute a section of the DHTPL Project and cross a toll plaza. DHTPL will, upon request from any person, issue a return pass upon payment of 150.0% of the toll payable for a single one-way trip or issue 50 or more one-way toll tickets at a discounted rate of two-thirds of the toll payable. The return pass will entitle the relevant vehicle to make a return journey within 24 hours from the time the toll was paid and the discounted one-way toll tickets will be valid for one month from the date the toll was paid.

Additional fee: DHTPL is required to charge an additional toll on users with overloaded vehicles. Such additional toll will be levied either on the basis of the fee applicable to the next higher category of vehicles or the actual gross vehicle weight as measured by a standardised static weighing machine to be installed by DHTPL at each toll plaza. Rather than accepting an additional toll, DHTPL also has the right to prevent overloaded vehicles from utilising the road until the excess load on such vehicles is removed.

Excess fee: If the average daily traffic of PCUs in an accounting year reaches 120.0% of the

designed capacity (that is, 60,000 PCUs) (the “**DHTPL Traffic Cap**”), the fees collected from traffic exceeding the DHTPL Traffic Cap will be due and payable to the NHAi in accordance with the terms of the DHTPL Concession Agreement.

O&M: DHTPL is required to, among other things, operate and maintain the DHTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the DHTPL Project to comply with the requirements set out in the DHTPL Concession Agreement. DHTPL’s O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- collecting and appropriating tolls from vehicular traffic;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the DHTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: DHTPL is required to, in consultation with the independent consultant appointed by the NHAi (the “**DHTPL Independent Consultant**”), prepare a repair and maintenance manual (the “**DHTPL Maintenance Manual**”) for the regular and preventive maintenance of the DHTPL Project in accordance with the specifications and standards and maintenance requirements set out in the DHTPL Concession Agreement. DHTPL is required to update the DHTPL Maintenance Manual once every three years.

Maintenance Programme: DHTPL is required to, in consultation with the DHTPL Independent Consultant, provide the NHAi a programme for preventive and other scheduled maintenance of the DHTPL Project (the “**DHTPL Maintenance Programme**”) to ensure compliance with the DHTPL Maintenance Manual. The DHTPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the DHTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which DHTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) arrangements and procedures for carrying out safety related measures.

Remedial measures: In the event that DHTPL fails to maintain or repair the DHTPL Project in accordance with the specifications and standards set out in the DHTPL Concession Agreement, the DHTPL Maintenance Manual or the DHTPL Maintenance Programme, and fails to commence remedial work within 15 days of notice, the NHAi will be entitled to undertake such repair and maintenance of the DHTPL Project at the risk and cost of DHTPL and recover such cost, in addition to 20.0% of the cost as damages, from DHTPL. The NHAi is entitled to recover the sums from the escrow account.

DHTPL is required to meet the maintenance requirements for all stretches of roads, overpasses, underpasses and other structures situated on the site (as defined in the DHTPL Concession Agreement) but not part of the carriageway, as set out in the DHTPL Concession Agreement. DHTPL is deemed to be in breach of the DHTPL Concession Agreement if it fails to meet such maintenance requirements within the specified period. The NHAi will be entitled to damages calculated at the higher of (i) 0.5% of the average daily fee; and (ii) 0.1% of the cost of such repair or rectification as estimated by the DHTPL Independent Consultant.

If the actual traffic exceeds the design capacity during any year or part thereof and DHTPL fails to repair or rectify any defect or deficiency within the specified period, DHTPL will be deemed to be in breach of the DHTPL Concession Agreement and the NHAi will be entitled to damages calculated at the higher of (i) 5.0% of the average daily fee and (ii) 1.0% of the cost of such repair or rectification as estimated by the DHTPL Independent Consultant, for the remaining of the DHTPL Operations

Period.

Monitoring and supervision during the DHTPL Operations Period: DHTPL will, within seven days after the end of a month, provide monthly reports to the NHA and DHTPL Independent Consultant. The DHTPL Independent Consultant will inspect the DHTPL Project at least once a month and submit reports of such inspection (the “**DHTPL O&M Inspection Report**”) to the NHA and DHTPL. DHTPL is thereafter required to remedy defects and deficiencies as set out in the DHTPL O&M Inspection Report within 15 days from the receipt of such DHTPL O&M Inspection Report, failing which, DHTPL will submit progress reports of such work once a week. DHTPL will also undertake tests if such tests are specified in the DHTPL O&M Inspection Report. The NHA will be entitled to damages if the remedial measures by DHTPL do not conform to the requirements set out in the DHTPL O&M Inspection Report.

Construction of Additional Tollway: Under the DHTPL Concession Agreement, the NHA is not entitled to construct or operate an expressway or other toll road (the “**Additional Tollway**”) at any time before the 12th anniversary of the appointed date, provided that if the concession period of the DHTPL Project is reduced to 12 years, the Additional Tollway may be open to traffic after the eighth anniversary of the appointed date. The Additional Tollway must not exceed the length of the DHTPL Project by more than 20.0%. In addition, if the Additional Tollway is opened to traffic between the 12th and 19th anniversary of the appointed date, DHTPL will be entitled to an additional concession period equal to the duration between the opening of the Additional Tollway and the 19th anniversary of the original concession period under the DHTPL Concession Agreement.

Competing Roads: The NHA must not construct or cause to be constructed any competing roads before the 10th anniversary of the appointed date of DHTPL, unless the average traffic on DHTPL exceeds 90.0% of the designated capacity during such time. If an Additional Tollway or a competing road is opened to traffic in breach of the DHTPL Concession Agreement, the NHA will pay DHTPL an amount equal to the difference between the average daily realisation fee and the projected daily fee (the “**Projected Fee**”) until the breach is cured. The Projected Fee is calculated as the amount equal to the average daily fee, increased at the end of each month by 0.5% and revised according to the terms of the DHTPL Concession Agreement. Such compensation is payable in addition to termination payments, if any.

Modification of the Concession Period: Traffic on the DHTPL Project on October 1, 2020 (the “**Target Date**”) is estimated to be 18,840 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. DHTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Augmentation of capacity: The NHA may conduct a detailed traffic study of the DHTPL Project at any time and decide to augment its capacity. Such detailed project report will assess, among other things, the cost which may be incurred in the undertaking of such augmentation and the extension of the concession period (such extension limited to five years) so as to provide DHTPL a post-tax return on equity of 16.0% per annum, at an assumed debt to equity ratio of 70:30. The NHA may thereafter, issue a notice to DHTPL to undertake such augmentation within six months of the notice. In the event that DHTPL refuses to undertake such augmentation on the terms set out by the NHA, or fails to complete the augmentation of capacity within the prescribed timelines, the NHA will have the right to terminate the DHTPL Concession Agreement. In addition, the NHA may construct service roads, at its own cost, at any time after the eighth anniversary of the appointed date and DHTPL is required to maintain such service roads in accordance with good industry practice and in accordance with the terms of the DHTPL Concession Agreement.

Limitations on shareholding changes: Under the terms of the DHTPL Concession Agreement, DHTPL is subject to restrictions on any change in ownership which is triggered by a sale of 15.0% or more of the shares in DHTPL or a change in the majority of the board of directors of DHTPL. A change in ownership is not permitted except with the prior approval of the NHAI (from a national security and public interest perspective), whose decision will be final and binding on DHTPL. However, the NHAI has since issued Circular No. 11033/CGM (FA)/4/2015 to permit the divestment by a promoter (in this case, L&T) of its stake in DHTPL any time after two years from the construction completion of the DHTPL Project.

Insurance: DHTPL is required to maintain, at its own cost, during the term of the DHTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by DHTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from DHTPL.

Escrow account: DHTPL has opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**DHTPL Escrow Agreement**”). The DHTPL Concession Agreement provides that funds from the DHTPL Project lenders, tolls collected and payments by the NHAI, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the DHTPL Escrow Agreement, DHTPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by DHTPL in respect of the DHTPL Project;
- all payments in relation to construction of the DHTPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the ceiling, if any, set out in the relevant financing agreements;
- O&M expenses incurred by the NHAI in accordance with the DHTPL Concession Agreement and as certificated by the NHAI as due and payable;
- concession fee due and payable by the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the DHTPL Project in accordance with the relevant financing agreements in an accounting year;
- any payments and damages payable as certified by the NHAI as due and payable to it by DHTPL;
- monthly proportionate sums for amounts due in respect of the subordinated debt;
- any reserve requirements as set out under the relevant financing agreements; and
- the balance, if any, in accordance with the instructions of DHTPL.

Upon termination of the DHTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by DHTPL in respect of the DHTPL Project;
- 90.0% of the outstanding amounts due and payable to the lenders to the DHTPL Project in accordance with the relevant financing agreements in an accounting year, excluding the subordinated debt;
- all outstanding concession fees due and payable by the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- all retention and payments related to the liability for defects and deficiencies after termination of the DHTPL Concession Agreement;

- all remaining amounts due and payable to the lenders to the DHTPL Project in accordance with the relevant financing agreements in an accounting year;
- all outstanding subordinated debt;
- all incurred or accrued O&M expenses;
- any other payments required to be made under the DHTPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of DHTPL.

Indemnities: DHTPL will indemnify the NHA, its officers, servants, agents, subsidiaries and contractors (the “**NHA Indemnified Persons**”) against any and all loss and damages arising out of DHTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, or (iii) make payment of amounts due resulting from materials or services provided to DHTPL or its contractors which are payable by any such party. In addition, DHTPL will indemnify the NHA Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by DHTPL or its contractors. DHTPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. DHTPL will also promptly make every reasonable effort to secure a licence for the NHA, at its own cost, failing which, DHTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the DHTPL Project have step-in rights to substitute DHTPL in the event DHTPL breaches or defaults under the DHTPL Concession Agreement, provided that the NHA will give 120 days to DHTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHA and DHTPL will bear their respective cost; (ii) an indirect political event, the DHTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHA will reimburse one half of such cost to DHTPL; and (iii) a political event, the NHA will reimburse such cost to DHTPL.

In the event of termination of the DHTPL Concession Agreement the NHA is required to make termination payments to DHTPL. In the event of termination due to:

- (i) a non-political event, the NHA will pay DHTPL an amount equal to 90.0% of the debt due, less insurance claims due;
- (ii) an indirect political event, the NHA will pay DHTPL an amount equal to the sum of:
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the adjusted equity (as defined in the DHTPL Concession Agreement); and
- (iii) a political event, the NHA will pay DHTPL an amount DHTPL is entitled to in the event of a default by the NHA.

Compensation for breach of the DHTPL Concession Agreement: In the event DHTPL is in material breach of the DHTPL Concession Agreement, DHTPL will compensate the NHA all direct costs suffered or incurred by the NHA as a result of such default. In the event the NHA is in breach of the DHTPL Concession Agreement, the NHA will compensate DHTPL all direct costs suffered or incurred by DHTPL as a result of such default. In addition, if such an event causes a suspension or reduction in collection of tolls, the NHA will extend the concession period by the duration in which such concession period was affected, and if the daily collection is less than 90.0% of the average

daily fee, the NHAI will extend the concession period in proportion to the loss of tolls for the daily basis.

Termination: The DHTPL Concession Agreement may be terminated on the occurrence of DHTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the DHTPL Concession Agreement. DHTPL will be deemed to be in default of the DHTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- the performance security has been encashed and appropriated according to the terms of the DHTPL Concession Agreement and such performance security is not replenished or furnished within 30 days;
- subsequent to the replenishment or furnishing of the performance security, DHTPL fails to cure its default for which the whole or part of the performance security was appropriated, within 90 days;
- DHTPL fails to achieve any milestones (as described in the DHTPL Concession Agreement) within the period set out in the DHTPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- DHTPL abandons or shows its intention to abandon the operations of the DHTPL Project without the prior consent of the NHAI;
- DHTPL is in breach of the maintenance requirements or the safety requirements (each of which is as defined in the DHTPL Concession Agreement), as the case may be;
- DHTPL fails to make any payment due to the NHAI within the specified period;
- an escrow default has occurred and DHTPL fails to cure the default within a cure period of 15 days;
- the representative of the lenders to the DHTPL Project has, by notice to the NHAI, undertaken a suspension or termination, as the case may be, in accordance with the substitution agreement and DHTPL fails to cure the default within the specified cure period;
- a material breach of any of the project agreements by DHTPL;
- DHTPL creates any encumbrance in breach of the DHTPL Concession Agreement;
- DHTPL repudiates the DHTPL Concession Agreement or otherwise conveys an intention not to be bound by the DHTPL Concession Agreement;
- a change in ownership has occurred;
- there is a transfer of either (i) the rights and/or obligations of DHTPL under any of the project agreements or (ii) of all or part of the assets or undertaking of DHTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of DHTPL to perform and DHTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a material breach of the DHTPL Concession Agreement has occurred as a result of an execution on any of the assets of DHTPL;
- DHTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for DHTPL or on any of its property that has a material bearing on the DHTPL Project;
- DHTPL has been or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would, in the reasonable opinion of the NHAI, cause a material breach;
- a resolution for or any petition for the winding up of the DHTPL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 days or the DHTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the DHTPL are transferred to the amalgamated or reconstructed entity and that such entity

has unconditionally assumed the obligations of DHTPL under the DHTPL Concession Agreement and the DHTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the DHTPL Concession Agreement and project agreements by the DHTPL; (ii) such entity has the financial standing to perform its obligations under the DHTPL Concession Agreement and project agreements by the DHTPL and has a credit worthiness at least as good as DHTPL as of the financial close (as defined in the DHTPL Concession Agreement); and (iii) each project agreement by the DHTPL remains in full force and in effect;

- any representation or warranty of DHTPL set out in the DHTPL Concession Agreement which DHTPL is in breach of or is found to be materially false of DHTPL;
- DHTPL submits to the NHAI any statement, notice or document, which has a material effect on the NHAI's rights, obligations or interests and which is materially false in its content;
- DHTPL fails to fulfil its obligation in the DHTPL Concession Agreement; or
- DHTPL commits a default in complying with any other provision of the DHTPL Concession Agreement if such default causes a material adverse effect on the NHAI.

Upon an event of default by DHTPL following which the NHAI terminates the DHTPL Concession Agreement, the NHAI will pay DHTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

DHTPL may terminate the DHTPL Concession Agreement by giving a 90 days' cure period to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the DHTPL Concession Agreement, causing a material adverse effect on DHTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the DHTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it; or
- the NHAI has failed to make any payment due to DHTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which DHTPL terminates the DHTPL Concession Agreement, the NHAI will pay DHTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity (as defined in the DHTPL Concession Agreement).

Upon an event of default by DHTPL following which NHAI terminates the DHTPL Concession Agreement, the NHAI will pay DHTPL an amount equal to 90% of debt due less insurance cover, provided if any insurance claim is not paid, then 80% of such unpaid insurance claim can be added to the debt due.

Defects liability after termination: DHTPL will be liable for all defects and deficiencies of the DHTPL Project for a period of 120 days after the termination of the DHTPL Concession Agreement. For this purpose, a sum equal to 5.0% of the total tolls collected for the year immediately preceding the date that the DHTPL Project is transferred to the NHAI will be retained in an escrow account for 120 days after termination. DHTPL may, instead of retaining 5.0% of the total tolls collected, provide to the NHAI a guarantee from a bank in an amount equal to such amount for the purposes of meeting its post termination defects liability obligations.

Renewal: The concession agreement does not contain a renewal provision.

13. The Beawar Pali Pindwara Tollway Private Limited (BPPTPL) Project

The BPPTPL Concession Agreement

Tolls: BPPTPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the BPPTPL Project until the end of the concession period (the “**BPPTPL Operations Period**”). The toll rates will be determined in accordance with the BPPTPL Concession Agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008, the National Highways Fee (Determination of Rates and Collection) Amendment Rules, 2010 and the National Highways Fee (Determination of Rates and Collection) Amendment Rules, 2011.

As consideration, BPPTPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the BPPTPL Project in accordance with the BPPTPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. BPPTPL pays the NHAI Re. 1.00 per year, as concession fees, during the term of the concession agreement. In addition, BPPTPL will pay a ‘premium’ concession fee, amounting to ₹ 2,510.00 million, to the NHAI for the first year of the concession period, and for each subsequent year, such ‘premium’ concession fee will be increased by 5.0% from the previous year’s ‘premium’ concession fee.

Change in scope of work: The NHAI may require BPPTPL to perform additional work and services not originally included in the scope of work of the BPPTPL Project, provided that such change is considered by the NHAI to be essential. However, BPPTPL is entitled to nullify the change of scope order if the cumulative costs in such change of scope for the preceding three years exceed 5.0% of the cost of the BPPTPL Project or if such cumulative costs exceed 20.0% of the total cost of the BPPTPL Project at any time during the BPPTPL Operations Period.

Exemption for users: BPPTPL will issue passes to and not collect tolls from local users who use the BPPTPL Project on a non-commercial basis, commute a section of the BPPTPL Project and cross a toll plaza. BPPTPL will, upon request from any person, issue a return pass upon payment of 150.0% of the toll payable for a single one-way trip or issue 50 or more one-way toll tickets at a discounted rate of two-thirds of the toll payable. The return pass will entitle the relevant vehicle to make a return journey within 24 hours from the time the toll was paid and the discounted one-way toll tickets will be valid for one month from the date the toll was paid.

Additional fee: BPPTPL is required to charge an additional toll on users with overloaded vehicles. Such additional toll will be levied either on the basis of the fee applicable to the next higher category of vehicles or the actual gross vehicle weight as measured by a standardised static weighing machine to be installed by BPPTPL at each toll plaza. Rather than accepting an additional toll, BPPTPL also has the right to prevent overloaded vehicles from utilising the road until the excess load on such overloaded vehicles is removed.

Excess fee: If the average daily traffic of PCUs in an accounting year reaches 120.0% of the designed capacity (that is, 60,000 PCUs) (the “**BPPTPL Traffic Cap**”), the fees collected from traffic exceeding the BPPTPL Traffic Cap will be due and payable to the NHAI in accordance with the terms of the BPPTPL Concession Agreement.

O&M: BPPTPL is required to, among other things, operate and maintain the BPPTPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the BPPTPL Project to comply with the requirements set out in the BPPTPL Concession Agreement. BPPTPL’s O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- collecting and appropriating tolls from vehicular traffic;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the BPPTPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting

and signage; and

- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: BPPTPL is required to, in consultation with the independent consultant appointed by the NHAI (the “**BPPTPL Independent Consultant**”), prepare a repair and maintenance manual (the “**BPPTPL Maintenance Manual**”) for the regular and preventive maintenance of the BPPTPL Project in accordance with the specifications and standards and maintenance requirements set out in the BPPTPL Concession Agreement. BPPTPL is required to update the BPPTPL Maintenance Manual once every three years.

Maintenance Programme: BPPTPL is required to, in consultation with the BPPTPL Independent Consultant, provide the NHAI a programme for preventive and other scheduled maintenance of the BPPTPL Project (the “**BPPTPL Maintenance Programme**”) to ensure compliance with the BPPTPL Maintenance Manual. The BPPTPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the BPPTPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which BPPTPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and (vi) lane closures schedule for each type of maintenance.

Remedial measures: In the event that BPPTPL fails to maintain or repair the BPPTPL Project in accordance with the specifications and standards set out in the BPPTPL Concession Agreement, the BPPTPL Maintenance Manual or the BPPTPL Maintenance Programme, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the BPPTPL Project at the risk and cost of BPPTPL and recover such cost, in addition to 20.0% of the cost as damages, from BPPTPL. The NHAI is entitled to recover the sums from the escrow account.

BPPTPL is required to meet the maintenance requirements for all stretches of roads, overpasses, underpasses and other structures situated on the site (as defined in the BPPTPL Concession Agreement) but not part of the carriageway, as set out in the BPPTPL Concession Agreement. BPPTPL is deemed to be in breach of the BPPTPL Concession Agreement if it fails to meet such maintenance requirements within the specified period. The NHAI will be entitled to damages calculated at the higher of (i) 0.5% of the average daily fee; and (ii) 0.1% of the cost of such repair or rectification as estimated by the BPPTPL Independent Consultant.

If the actual traffic exceeds the design capacity during any year or part thereof and BPPTPL fails to repair or rectify any defect or deficiency within the specified period, BPPTPL will be deemed to be in breach of the BPPTPL Concession Agreement and the NHAI will be entitled to damages calculated at the higher of (i) 5.0% of the average daily fee and (ii) 1.0% of the cost of such repair or rectification as estimated by the BPPTPL Independent Consultant, for the BPPTPL Operations Period.

Monitoring and supervision during the BPPTPL Operations Period: BPPTPL will, within seven days after the end of a month, provide monthly reports to the NHAI and BPPTPL Independent Consultant. The BPPTPL Independent Consultant will inspect the BPPTPL Project at least once a month and submit reports of such inspection (the “**BPPTPL O&M Inspection Report**”) to the NHAI and BPPTPL. BPPTPL is thereafter required to remedy defects and deficiencies as set out in the BPPTPL O&M Inspection Report within 15 days from the receipt of such BPPTPL O&M Inspection Report, failing which, BPPTPL will submit progress reports of such work once a week. BPPTPL will also undertake tests if such tests are specified in the BPPTPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by BPPTPL do not conform to the requirements set out in the BPPTPL O&M Inspection Report.

Additional Concession Fee or Premium – The BPPTPL shall pay to the Authority, on the COD date, a Premium of in the form of an additional Concession Fee equal to Rs. 251.01 Crores (Rupees Two Hundred and Fifty One Crores and one Lakh only) as due to the Authority during that year, due and

payable for the period remaining in that year; and for each subsequent year of the Concession Period, the Premium shall be determined by increasing the amount of Premium in the respective year by an additional 5% (five per cent) as compared to the immediately preceding year.

Construction of Additional Tollway: Under the BPPTPL Concession Agreement, the NHAI is not entitled to construct or operate an expressway or other toll road (the “**Additional Tollway**”) at any time before the 14th anniversary of the appointed date. The Additional Tollway must not exceed the length of the BPPTPL Project by more than 20.0%. In addition, if the Additional Tollway is opened to traffic between the 14th and 23rd anniversary of the appointed date, BPPTPL will be entitled to an additional concession period equal to the duration between the opening of the Additional Tollway and the 23rd anniversary of the original concession period under the BPPTPL Concession Agreement.

Competing Roads: The NHAI must not construct or cause to be constructed any competing roads before the 10th anniversary of the appointed date of BPPTPL, unless the average traffic on BPPTPL exceeds 90.0% of the designated capacity during such time. If an Additional Tollway or a competing road is opened to traffic in breach of the BPPTPL Concession Agreement, the NHAI will pay BPPTPL an amount equal to the difference between the average daily realisation fee and the projected daily fee (the “**Projected Fee**”) until the breach is cured. The Projected Fee is calculated as the amount equal to the average daily fee, increased at the end of each month by 0.5% and revised according to the terms of the BPPTPL Concession Agreement. Such compensation is payable in addition to termination payments, if any.

Modification of the Concession Period: Traffic on the BPPTPL Project on April 1, 2021 (the “**Target Date**”) is estimated to be 33,783 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. BPPTPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Augmentation of capacity: The NHAI may conduct a detailed traffic study of the BPPTPL Project at any time and decide to augment its capacity. Such detailed project report will assess, among other things, the cost which may be incurred in the undertaking of such augmentation and the extension of the concession period (such extension limited to five years) so as to provide BPPTPL a post-tax return on equity of 16.0% per annum, at an assumed debt to equity ratio of 70:30. The NHAI may thereafter, issue a notice to BPPTPL to undertake such augmentation within six months of the notice. In the event that BPPTPL refuses to undertake such augmentation on the terms set out by the NHAI, or fails to complete the augmentation of capacity within the prescribed timelines, the NHAI will have the right to terminate the BPPTPL Concession Agreement. In addition, the NHAI may construct service roads, at its own cost, at any time after the eighth anniversary of the appointed date and BPPTPL is required to maintain such service roads in accordance with good industry practice and in accordance with the terms of the DHTPL Concession Agreement.

Limitations on shareholding changes: Under the terms of the BPPTPL Concession Agreement, BPPTPL is subject to restrictions on any change in ownership which is triggered by a sale of 15.0% or more of the shares in BPPTPL or a change in the majority of the board of directors of BPPTPL. A change in ownership is not permitted except with the prior approval of the NHAI (from a national security and public interest perspective), whose decision will be final and binding on BPPTPL. However, the NHAI has since issued Circular No. 11033/CGM (FA)/4/2015 to permit the divestment by a promoter (in this case, L&T) of its stake in BPPTPL any time after two years from the construction completion of the BPPTPL Project.

Insurance: BPPTPL is required to maintain, at its own cost, during the term of the BPPTPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must

include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by BPPTPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from BPPTPL.

Escrow account: BPPTPL has opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**BPPTPL Escrow Agreement**”). The BPPTPL Concession Agreement provides that funds from the BPPTPL Project lenders, tolls collected and payments by the NHAI, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the BPPTPL Escrow Agreement, BPPTPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by BPPTPL in respect of the BPPTPL Project;
- all payments in relation to construction of the BPPTPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the ceiling, if any, set out in the relevant financing agreements;
- O&M expenses incurred by the NHAI in accordance with the BPPTPL Concession Agreement and as certificated by the NHAI as due and payable;
- concession fee due and payable by the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the BPPTPL Project in accordance with the relevant financing agreements in an accounting year;
- any premium (as defined in the BPPTPL Concession Agreement) due and payable to the NHAI;
- any payments and damages certified by the NHAI as due and payable to it;
- monthly proportionate sums for amounts due in respect of the subordinated debt;
- any reserve requirements as set out under the relevant financing agreements; and
- the balance, if any, in accordance with the instructions of BPPTPL.

Upon termination of the BPPTPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by BPPTPL in respect of the BPPTPL Project;
- 90.0% of the outstanding amounts due and payable to the lenders to the BPPTPL Project in accordance with the relevant financing agreements in an accounting year, excluding the subordinated debt;
- all outstanding concession fees due and payable by the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- all retention and payments related to the liability for defects and deficiencies after termination of the BPPTPL Concession Agreement;
- all remaining amounts due and payable to the lenders to the BPPTPL Project in accordance with the relevant financing agreements in an accounting year;
- all outstanding subordinated debt;
- all incurred or accrued O&M expenses;
- any other payments required to be made under the BPPTPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of BPPTPL.

Indemnities: BPPTPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of BPPTPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, or (iii) make payment of amounts due resulting from materials or services provided to BPPTPL or its contractors which are payable for any such party. In addition, BPPTPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by BPPTPL or its contractors. BPPTPL will make every reasonable effort to

restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. BPPTPL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, BPPTPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the BPPTPL Project have step-in rights to substitute BPPTPL in the event BPPTPL breaches or defaults under the BPPTPL Concession Agreement, provided that the NHAI will give 120 days to BPPTPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and BPPTPL will bear their respective cost; (ii) an indirect political event, the BPPTPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to BPPTPL; and

(iii) a political event, the NHAI will reimburse such cost to BPPTPL.

In the event of termination of the BPPTPL Concession Agreement the NHAI is required to make termination payments to BPPTPL. In the event of termination due to:

- (i) a non-political event, the NHAI will pay BPPTPL an amount equal to 90.0% of the debt due, less insurance claims due;
- (ii) an indirect political event, the NHAI will pay BPPTPL an amount equal to the sum of:
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the adjusted equity (as defined in the BPPTPL Concession Agreement); and
- (iii) a political event, the NHAI will pay BPPTPL an amount BPPTPL is entitled to in the event of a default by the NHAI.

Compensation for breach of the BPPTPL Concession Agreement: In the event BPPTPL is in material breach of the BPPTPL Concession Agreement, BPPTPL will compensate the NHAI all direct costs suffered or incurred by the NHAI as a result of such default. In the event the NHAI is in breach of the BPPTPL Concession Agreement, the NHAI will compensate BPPTPL all direct costs suffered or incurred by BPPTPL as a result of such default. In addition, if such an event causes a suspension or reduction in collection of tolls, the NHAI will extend the concession period by the duration in which such concession period was affected, and if the daily collection is less than 90.0% of the average daily fee, the NHAI will extend the concession period in proportion to the loss of tolls for the daily basis.

Termination: The BPPTPL Concession Agreement may be terminated on the occurrence of BPPTPL's default or the NHAI's default and in each case the default has not been cured under the terms of the BPPTPL Concession Agreement. BPPTPL will be deemed to be in default of the BPPTPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- the performance security has been encashed and appropriated according to the terms of the BPPTPL Concession Agreement and such performance security is not replenished or furnished within 30 days;
- subsequent to the replenishment or furnishing of the performance security, BPPTPL fails to cure its default for which the whole or part of the performance security was appropriated, within 90 days;
- BPPTPL fails to achieve any milestones (as described in the BPPTPL Concession Agreement) within the period set out in the BPPTPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;

- BPPTPL abandons or shows its intention to abandon the operations of the BPPTPL Project without the prior consent of the NHAI;
- BPPTPL is in breach of the maintenance requirements or the safety requirements (each of which is as defined in the BPPTPL Concession Agreement), as the case may be;
- BPPTPL fails to make any payment due to the NHAI within the specified period;
- an escrow default has occurred and BPPTPL fails to cure the default within a cure period of 15 days;
- the representative of the lenders to the BPPTPL Project has, by notice to the NHAI, undertaken a suspension or termination, as the case may be, in accordance with the substitution agreement and BPPTPL fails to cure the default within the specified cure period;
- a material breach of any of the project agreements by BPPTPL;
- BPPTPL creates any encumbrance in breach of the BPPTPL Concession Agreement;
- BPPTPL repudiates the BPPTPL Concession Agreement or otherwise conveys an intention not to be bound by the BPPTPL Concession Agreement;
- a change in ownership has occurred;
- there is a transfer of either (i) the rights and/or obligations of BPPTPL under any of the project agreements or (ii) of all or part of the assets or undertaking of BPPTPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of BPPTPL to perform and BPPTPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a material breach of the BPPTPL Concession Agreement has occurred as a result of an execution on any of the assets of BPPTPL;
- BPPTPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for BPPTPL or on any of its property that has a material bearing on the BPPTPL Project;
- BPPTPL has been or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would, in the reasonable opinion of the NHAI, cause a material breach;
- a resolution for or any petition for the winding up of the BPPTPL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 days or the BPPTPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the BPPTPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of BPPTPL under the BPPTPL Concession Agreement and the BPPTPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the BPPTPL Concession Agreement and project agreements by the BPPTPL; (ii) such entity has the financial standing to perform its obligations under the BPPTPL Concession Agreement and project agreements by the BPPTPL and has a credit worthiness at least as good as BPPTPL as of the financial close (as defined in the BPPTPL Concession Agreement); and (iii) each project agreement by the BPPTPL remains in full force and in effect;
- any representation or warranty of BPPTPL set out in the BPPTPL Concession Agreement which BPPTPL is in breach of or is found to be materially false of BPPTPL;
- BPPTPL submits to the NHAI any statement, notice or document, which has a material effect on the NHAI's rights, obligations or interests and which is materially false in its content;
- BPPTPL fails to fulfil its obligation in the BPPTPL Concession Agreement; or
- BPPTPL commits a default in complying with any other provision of the BPPTPL Concession Agreement if such default causes a material adverse effect on the NHAI.

Upon an event of default by BPPTPL following which the NHAI terminates the BPPTPL Concession Agreement, the NHAI will pay BPPTPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

BPPTPL may terminate the BPPTPL Concession Agreement by giving a 90 days' cure period to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the BPPTPL Concession Agreement, causing a material adverse effect on BPPTPL and such breach is not rectified within the cure period;
- the NHAI repudiates the BPPTPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it; or
- the NHAI has failed to make any payment due to BPPTPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which BPPTPL terminates the BPPTPL Concession Agreement, the NHAI will pay BPPTPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity (as defined in the BPPTPL Concession Agreement).

Upon an event of default by BPPTPL following which NHAI terminates the BPPTPL Concession Agreement, the NHAI will pay BPPTPL an amount equal to 90% of debt due less insurance cover, provided if any insurance claim is not paid, then 80% of such unpaid insurance claim can be added to the debt due.

Defects liability after termination: BPPTPL will be liable for all defects and deficiencies of the BPPTPL Project for a period of 120 days after the termination of the BPPTPL Concession Agreement. For this purpose, a sum equal to 5.0% of the total tolls collected for the year immediately preceding the date that the BPPTPL Project is transferred to the NHAI will be retained in an escrow account for 120 days after termination. BPPTPL may, instead of retaining 5.0% of the total tolls collected, provide to the NHAI a guarantee from a bank in an amount equal to such amount for the purposes of meeting its post termination defects liability obligations.

Renewal: The concession agreement does not contain a renewal provision

14. The Simhapuri Expressway Limited (SEL) Project

SEL Concession Agreement

Tolls: SEL is entitled to levy, collect and appropriate tolls from the commercial operational date of the SEL Project until the end of the concession period (the “**SEL Operations Period**”). The toll rates will be determined in accordance with the SEL Concession Agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

As consideration, SEL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the SEL Project in accordance with the SEL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. SEL pays the NHAI Re. 1.00 per year, as concession fees, during the term of the concession agreement.

Change in scope of work: The NHAI may require SEL to perform additional work and services not originally included in the scope of work of SEL, provided that such change is considered by the NHAI to be essential, do not require any change in the expenditure exceeding 5.0% of the total cost of the SEL Project for a continuous period of three years or if such costs exceed 20.0% of the total cost of the SEL Project and the commercial operation date is not adversely affected, in the manner set out in the SEL Concession Agreement.

Exemption for users: SEL will issue passes to and not collect tolls from local users who use the SEL Project on a non-commercial basis, commute a section of the SEL Project and cross a toll plaza. SEL will, upon request from any person, issue a return pass upon payment of 150.0% of the toll payable for a single one-way trip or issue 50 or more one-way toll tickets at a discounted rate of two-thirds of the toll payable. The return pass will entitle the relevant vehicle to make a return journey within 24 hours from the time the toll was paid and the discounted one-way toll tickets will be valid for one month from the date the toll was paid.

Additional fee: SEL is required to charge additional toll on users with overloaded vehicles. Such

additional toll will be levied either on the basis of the fee applicable to the next higher category of vehicles or the actual gross vehicle weight as measured by a standardised static weighing machine to be installed by SEL at each toll plaza. SEL has the right to prevent the overloaded vehicle from going on the road until the excess load on such an overloaded vehicle is removed.

Excess fee: If the average daily traffic of PCUs in an accounting year reaches 120.0% of the designed capacity (that is, 120,000 PCUs) (the “**SEL Traffic Cap**”), the fees collected from traffic exceeding the SEL Traffic Cap will be due and payable to the NHAI in accordance with the terms of the SEL Concession Agreement.

O&M: SEL is required to, among other things, operate and maintain the SEL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the SEL Project to comply with the requirements set out in the SEL Concession Agreement. SEL O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- collecting and appropriating tolls from vehicular traffic;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the SEL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: SEL is required to, in consultation with the independent consultant appointed by the NHAI (the “**SEL Independent Consultant**”), prepare a repair and maintenance manual (the “**SEL Maintenance Manual**”) for the regular and preventive maintenance of the SEL Project in accordance with the specifications and standards and maintenance requirements set out in the SEL Concession Agreement. SEL is required to update the SEL Maintenance Manual once every three years.

Maintenance Programme: SEL is required to, in consultation with the SEL Independent Consultant, provide the NHAI a programme for preventive and other scheduled maintenance of the SEL Project (the “**SEL Maintenance Programme**”) to ensure compliance with the SEL Maintenance Manual. The SEL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the SEL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which SEL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and arrangements and procedures for carrying out safety related measures.

Remedial measures: In the event that SEL fails to maintain or repair the SEL Project in accordance with the specifications and standards set out in the SEL Concession Agreement, the SEL Maintenance Manual or the SEL Maintenance Programme, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the SEL Project at the risk and cost of SEL and recover such cost, in addition to 20.0% of the cost as damages, from SEL. The NHAI is entitled to recover the sums from the escrow account.

SEL is required to meet the maintenance requirements for all stretches of roads, overpasses, underpasses and other structures situated on the site (as defined in the SEL Concession Agreement) but not part of the carriageway, as set out in the SEL Concession Agreement. SEL is deemed to be in breach of the SEL Concession Agreement if it fails to meet such maintenance requirements within the specified period. The NHAI will be entitled to damages calculated at the higher of (i) 0.5% of the

average daily fee; and (ii) 0.1% of the cost of such repair or rectification as estimated by the SEL Independent Consultant.

If the actual traffic exceeds the design capacity during any year or part thereof and SEL fails to repair or rectify any defect or deficiency within the specified period, SEL will be deemed to be in breach of the SEL Concession Agreement and the NHAI will be entitled to damages calculated at the higher of (i) 5% of the average daily fee and (ii) 1% of the cost of such repair or rectification as estimated by the SEL Independent Consultant, for the SEL Operations Period.

Monitoring and supervision during the SEL Operations Period: SEL will, within seven days after the end of a month, provide monthly reports to the NHAI and SEL Independent Consultant. The SEL Independent Consultant will inspect the SEL Project at least once a month and submit reports of such inspection (the “**SEL O&M Inspection Report**”) to the NHAI and SEL. SEL is thereafter required to remedy defects and deficiencies as set out in the SEL O&M Inspection Report within 15 days from the receipt of such SEL O&M Inspection Report, failing which, SEL will submit progress reports of such work once a week. SEL will also undertake tests if such tests are specified in the SEL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by SEL do not conform to the requirements set out in the SEL O&M Inspection Report.

Construction of Additional Tollway: Under the SEL Concession Agreement, the NHAI is entitled to construct or operate an expressway or other toll road (the “**Additional Tollway**”) upon the 22nd anniversary of the appointed date. The Additional Tollway must not exceed the length of the SEL Project by more than 20.0%. In addition, if the Additional Tollway is opened to traffic between the 22nd and 30th anniversary of the appointed date, SEL will be entitled to an additional concession period equal to the duration between the opening of the Additional Tollway and the 30th anniversary of the original concession period under the SEL Concession Agreement.

Competing Roads: The NHAI, the GoI or any other relevant state government must not direct the construction of a competing road before the 10th anniversary of the appointed date provided that this restriction does not apply if the average traffic on the SEL Project in any year exceeds 90.0% of the designed capacity (that is, 120,000 PCUs). The NHAI will be required to compensate SEL if such competing road or additional tollway is opened to traffic in breach of the SEL Concession Agreement. The NHAI will pay SEL an amount equal to the difference between the average daily realisation fee and the projected daily fee (the “**Projected Fee**”) until the breach is cured. The Projected Fee is calculated as the amount equal to the average daily fee, increased at the end of each month by 0.5% and revised according to the terms of the SEL Concession Agreement. Such compensation is payable in addition to termination payments, if any.

Modification of the Concession Period: Traffic on the SEL Project on April 1, 2020 (the “**Target Date**”) is estimated to be 35,242 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. SEL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Limitations on shareholding changes: NA

Insurance: SEL is required to maintain, at its own cost, during the term of the SEL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by SEL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from SEL.

Escrow account: SEL has opened and established an escrow account with a bank, and in this regard,

entered into an escrow agreement with such a bank (the “**SEL Escrow Agreement**”). The SEL Concession Agreement provides that funds from the SEL Project lenders, tolls collected and payments by the NHAI, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the SEL Escrow Agreement, SEL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by SEL in respect of the SEL Project;
- all payments in relation to construction of the SEL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the ceiling, if any, set out in the relevant financing agreements;
- O&M expenses incurred by the NHAI in accordance with the SEL Concession Agreement and as certificated by the NHAI as due and payable;
- concession fee due and payable by the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the SEL Project in accordance with the relevant financing agreements in an accounting year;
- premium (as defined in the SEL Concession Agreement) due and payable to the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- monthly proportionate sums for amounts due in respect of the subordinated debt;
- any reserve requirements as set out under the relevant financing agreements; and
- the balance, if any, in accordance with the instructions of SEL.

Upon an event of default by SEL following which the NHAI terminates the SEL Concession Agreement, the NHAI will pay SEL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

Upon termination of the SEL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by SEL in respect of the SEL Project;
- 90.0% of the outstanding amounts due and payable to the lenders to the SEL Project in accordance with the relevant financing agreements in an accounting year, excluding the subordinated debt;
- all outstanding concession fees due and payable by the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- all retention and payments related to the liability for defects and deficiencies after termination of the SEL Concession Agreement;
- all remaining amounts due and payable to the lenders to the SEL Project in accordance with the relevant financing agreements in an accounting year;

- all outstanding subordinated debt;
- all incurred or accrued O&M expenses;
- any other payments required to be made under the SEL Concession Agreement; and
- the balance, if any, in accordance with the instructions of SEL.

Indemnities: SEL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of SEL failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, or (iii) make payment of amounts due resulting from materials or services provided to SEL or its contractors which are payable by any such party. In addition, SEL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by SEL or its contractors. SEL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. SEL will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, SEL will, at its own expense and without affecting the specifications, replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the SEL Project have step-in rights to substitute SEL in the event SEL breaches or defaults under the SEL Concession Agreement, provided that the NHAI will give 120 days to SEL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and SEL will bear their respective cost; (ii) an indirect political event, the SEL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to SEL; and (iii) a political event, the NHAI will reimburse such cost to SEL.

In the event of termination of the SEL Concession Agreement the NHAI is required to make termination payments to SEL. In the event of termination due to:

- (iv) a non-political event, the NHAI will pay SEL an amount equal to 90.0% of the debt due, less insurance claims due;
- (v) an indirect political event, the NHAI will pay SEL an amount equal to the sum of:
 - a. the debt due, less insurance claims, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the adjusted equity (as defined in the SEL Concession Agreement);
 and
- (vi) a political event, the NHAI will pay SEL an amount SEL is entitled to in the event of a default by the NHAI.

Compensation for breach of the SEL Concession Agreement: In the event SEL is in material breach of the SEL Concession Agreement, SEL will compensate the NHAI all direct costs suffered or incurred by the NHAI as a result of such default. In the event the NHAI is in breach of the SEL Concession Agreement, the NHAI will compensate SEL all direct costs suffered or incurred by SEL as a result of such default. In addition, if such an event causes a suspension or reduction in collection of tolls, the NHAI will extend the concession period by the duration in which such concession period

was affected, and if the daily collection is less than 90.0% of the average daily fee, the NHAI will extend the concession period in proportion to the loss of tolls for the daily basis.

Termination: The SEL Concession Agreement may be terminated on the occurrence of SEL default or the NHAI's default and in each case the default has not been cured under the terms of the SEL Concession Agreement. SEL will be deemed to be in default of the SEL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- the performance security has been encashed and appropriated according to the terms of the SEL Concession Agreement and such performance security is not replenished or furnished within 30 days;
- subsequent to the replenishment or furnishing of the performance security, SEL fails to cure its default for which the whole or part of the performance security was appropriated, within 90 days;
- SEL fails to achieve any milestones (as described in the SEL Concession Agreement) within the period set out in the SEL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- SEL abandons or shows its intention to abandon the operations of the SEL Project without the prior consent of the NHAI;
- SEL is in breach of the maintenance requirements or the safety requirements (each of which is as defined in the SEL Concession Agreement), as the case may be;
- SEL fails to make any payment due to the NHAI within the specified period;
- an escrow default has occurred and SEL fails to cure the default within a cure period of 15 days;
- the representative of the lenders to the SEL Project has, by notice to the NHAI, undertaken a suspension or termination, as the case may be, in accordance with the substitution agreement and SEL fails to cure the default within the specified cure period;
- a material breach of any of the project agreements by SEL;
- SEL creates any encumbrance in breach of the SEL Concession Agreement;
- SEL repudiates the SEL Concession Agreement or otherwise conveys an intention not to be bound by the SEL Concession Agreement;
- a change in ownership has occurred;
- there is a transfer of either (i) the rights and/or obligations of SEL under any of the project agreements or (ii) of all or part of the assets or undertaking of SEL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of SEL to perform and SEL has the financial and technical capacity to perform its material obligations under the project agreements;
- a material breach of the SEL Concession Agreement has occurred as a result of an execution on any of the assets of SEL;
- SEL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for SEL or on any of its property that has a material bearing on the SEL Project;

- SEL has been or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would, in the reasonable opinion of the NHAI, cause a material breach;
- a resolution for or any petition for the winding up of the SEL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 days or the SEL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the SEL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of SEL under the SEL Concession Agreement and the SEL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the SEL Concession Agreement and project agreements by the SEL; (ii) such entity has the financial standing to perform its obligations under the SEL Concession Agreement and project agreements by the SEL and has a credit worthiness at least as good as SEL as of the financial close (as defined in the SEL Concession Agreement); and (iii) each project agreement by the SEL remains in full force and in effect;
- any representation or warranty of SEL set out in the SEL Concession Agreement which SEL is in breach of or is found to be materially false of SEL;
- SEL submits to the NHAI any statement, notice or document, which has a material effect on the NHAI's rights, obligations or interests and which is materially false in its content;
- SEL fails to fulfil its obligation in the SEL Concession Agreement; or
- SEL commits a default in complying with any other provision of the SEL Concession Agreement if such default causes a material adverse effect on the NHAI.

SEL may terminate the SEL Concession Agreement by giving a 90 days' cure period to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the SEL Concession Agreement, causing a material adverse effect on SEL and such breach is not rectified within the cure period;
- the NHAI repudiates the SEL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it; or
- the NHAI has failed to make any payment due to SEL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which SEL terminates the SEL Concession Agreement, the NHAI will pay SEL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity (as defined in the SEL Concession Agreement).

Upon an event of default by the SEL following which NHAI terminates the SEL Concession Agreement, the NHAI will pay SEL an amount equal to 90% of debt due less insurance cover, provided if any insurance claim is not admitted and paid, then 80% of such unpaid insurance claim shall be included in the debt due.

Defects liability after termination: SEL will be liable for all defects and deficiencies of the SEL Project for a period of 120 days after the termination of the SEL Concession Agreement. For this purpose, a sum equal to 5.0% of the total tolls collected for the year immediately preceding the date that the SEL

Project is transferred to the NHAI will be retained in an escrow account for 120 days after termination. SEL may, instead of retaining 5.0% of the total tolls collected, provide to the NHAI a guarantee from a bank in an amount equal to such amount for the purposes of meeting its post termination defects liability obligations.

Renewal: The concession agreement does not contain a renewal provision.

15. The Rayalseema Expressway Private Limited (REPL) Project

REPL Concession Agreement

Tolls: REPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the REPL Project until the end of the concession period (the “**REPL Operations Period**”). The toll rates will be determined in accordance with the REPL Concession Agreement and the National Highways Fee (Determination of Rates and Collection) Rules, 2008.

As consideration, REPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the REPL Project in accordance with the REPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 2008. REPL pays the NHAI Re. 1.00 per year, as concession fees, during the term of the concession agreement.

Change in scope of work: The NHAI may require REPL to perform additional work and services not originally included in the scope of work of REPL, provided that such change is considered by the NHAI to be essential, do not require any change in the expenditure exceeding 5.0% of the total cost of the REPL Project for a continuous period of three years or if such costs exceed 20.0% of the total cost of the REPL Project and the commercial operation date is not adversely affected, in the manner set out in the REPL Concession Agreement.

Exemption for users: REPL will issue passes to and not collect tolls from local users who use the REPL Project on a non-commercial basis, commute a section of the REPL Project and cross a toll plaza. REPL will, upon request from any person, issue a return pass upon payment of 150.0% of the toll payable for a single one-way trip or issue 50 or more one-way toll tickets at a discounted rate of two-thirds of the toll payable. The return pass will entitle the relevant vehicle to make a return journey within 24 hours from the time the toll was paid and the discounted one-way toll tickets will be valid for one month from the date the toll was paid.

Additional fee: REPL is required to charge additional toll on users with overloaded vehicles. Such additional toll will be levied either on the basis of the fee applicable to the next higher category of vehicles or the actual gross vehicle weight as measured by a standardised static weighing machine to be installed by REPL at each toll plaza. REPL has the right to prevent the overloaded vehicle from going on the road until the excess load on such an overloaded vehicle is removed.

Excess fee: If the average daily traffic of PCUs in an accounting year reaches 120.0% of the designed capacity (that is 60,000 PCUs) (the “**REPL Traffic Cap**”), the fees collected from traffic exceeding the REPL Traffic Cap will be due and payable to the NHAI in accordance with the terms of the REPL Concession Agreement.

O&M: REPL is required to, among other things, operate and maintain the REPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the REPL Project to comply with the requirements set out in the REPL Concession Agreement. REPL O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- collecting and appropriating tolls from vehicular traffic;

- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the REPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: REPL is required to, in consultation with the independent consultant appointed by the NHAI (the “**REPL Independent Consultant**”), prepare a repair and maintenance manual (the “**REPL Maintenance Manual**”) for the regular and preventive maintenance of the REPL Project in accordance with the specifications and standards and maintenance requirements set out in the REPL Concession Agreement. REPL is required to update the REPL Maintenance Manual once every three years.

Maintenance Programme: REPL is required to, in consultation with the REPL Independent Consultant, provide the NHAI a programme for preventive and other scheduled maintenance of the REPL Project (the “**REPL Maintenance Programme**”) to ensure compliance with the REPL Maintenance Manual. The REPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the REPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) preventive maintenance schedule; (iv) intervals at which REPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and arrangements and procedures for carrying out safety related measures.

Remedial measures: In the event that REPL fails to maintain or repair the REPL Project in accordance with the specifications and standards set out in the REPL Concession Agreement, the REPL Maintenance Manual or the REPL Maintenance Programme, and fails to commence remedial work within 15 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the REPL Project at the risk and cost of REPL and recover such cost, in addition to 20.0% of the cost as damages, from REPL. The NHAI is entitled to recover the sums from the escrow account.

REPL is required to meet the maintenance requirements for all stretches of roads, overpasses, underpasses and other structures situated on the site (as defined in the REPL Concession Agreement) but not part of the carriageway, as set out in the REPL Concession Agreement. REPL is deemed to be in breach of the REPL Concession Agreement if it fails to meet such maintenance requirements within the specified period. The NHAI will be entitled to damages calculated at the higher of (i) 0.5% of the average daily fee; and (ii) 0.1% of the cost of such repair or rectification as estimated by the REPL Independent Consultant.

If the actual traffic exceeds the design capacity during any year or part thereof and REPL fails to repair or rectify any defect or deficiency within the specified period, REPL will be deemed to be in breach of the REPL Concession Agreement and the NHAI will be entitled to damages calculated at the higher of (i) 5% of the average daily fee and (ii) 1% of the cost of such repair or rectification as estimated by the REPL Independent Consultant, for the REPL Operations Period.

Monitoring and supervision during the REPL Operations Period: REPL will, within seven days after the end of a month, provide monthly reports to the NHAI and REPL Independent Consultant. The REPL Independent Consultant will inspect the REPL Project at least once a month and submit reports of such inspection (the “**REPL O&M Inspection Report**”) to the NHAI and REPL. REPL is thereafter required to remedy defects and deficiencies as set out in the REPL O&M Inspection Report within 15 days from the receipt of such REPL O&M Inspection Report, failing which, REPL will submit progress reports of such work once a week. REPL will also undertake tests if such tests are specified in the REPL O&M Inspection Report. The NHAI will be entitled to damages if the remedial measures by REPL do not conform to the requirements set out in the REPL O&M Inspection Report.

Construction of Additional Tollway: Under the REPL Concession Agreement, the NHAI is entitled to construct or operate an expressway or other toll road (the “**Additional Tollway**”) upon the 15th anniversary of the appointed date. The Additional Tollway must not exceed the length of the REPL Project by more than 20.0%. In addition, if the Additional Tollway is opened to traffic between the 15th and 30th anniversary of the appointed date, REPL will be entitled to an additional concession period equal to the duration between the opening of the Additional Tollway and the 30th anniversary of the original concession period under the REPL Concession Agreement.

Competing Roads: The NHAI, the GoI or any other relevant state government must not direct the construction of a competing road before the 10th anniversary of the appointed date provided that this restriction does not apply if the average traffic on the REPL Project in any year exceeds 90.0% of the designed capacity (that is, 60,000 PCUs). The NHAI will be required to compensate REPL if such competing road or additional tollway is opened to traffic in breach of the REPL Concession Agreement. The NHAI will pay REPL an amount equal to the difference between the average daily realisation fee and the projected daily fee (the “**Projected Fee**”) until the breach is cured. The Projected Fee is calculated as the amount equal to the average daily fee, increased at the end of each month by 0.5% and revised according to the terms of the REPL Concession Agreement. Such compensation is payable in addition to termination payments, if any.

Modification of the Concession Period: Traffic on the REPL Project on March 16, 2023 (the “**Target Date**”) is estimated to be 31,195 PCUs per day (“**Traffic Target**”). The actual traffic average will be determined by traffic sampling undertaken one year prior to the Target Date, on the Target Date and on the first anniversary of the Target Date. In the event that the actual traffic average falls short of the Traffic Target by more than 2.5%, for every 1.0% shortfall, the concession period will be increased by 1.5% but not to exceed 20.0%. In the event that the actual traffic average exceeds the Traffic Target by more than 2.5%, for every 1.0% excess, the concession period will be reduced by 0.75% but not to exceed 10.0%. REPL has the option to pay, in addition to the concession fees, a premium of 25.0% of the tolls collected in the respective years in lieu of a reduction in the concession period.

Limitations on shareholding changes: NA

Insurance: REPL is required to maintain, at its own cost, during the term of the REPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by REPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from REPL.

Escrow account: REPL has opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**REPL Escrow Agreement**”). The REPL Concession Agreement provides that funds from the REPL Project lenders, tolls collected and payments by the NHAI, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the REPL Escrow Agreement, REPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by REPL in respect of the REPL Project;
- all payments in relation to construction of the REPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the ceiling, if any, set out in the relevant financing agreements;
- O&M expenses incurred by the NHAI in accordance with the REPL Concession Agreement and as certificated by the NHAI as due and payable;

- concession fee due and payable by the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the REPL Project in accordance with the relevant financing agreements in an accounting year;
- premium (as defined in the REPL Concession Agreement) due and payable to the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- monthly proportionate sums for amounts due in respect of the subordinated debt;
- any reserve requirements as set out under the relevant financing agreements; and
- the balance, if any, in accordance with the instructions of REPL.

Upon an event of default by REPL following which the NHAI terminates the REPL Concession Agreement, the NHAI will pay REPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

Upon termination of the REPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by REPL in respect of the REPL Project;
- 90.0% of the outstanding amounts due and payable to the lenders to the REPL Project in accordance with the relevant financing agreements in an accounting year, excluding the subordinated debt;
- all outstanding concession fees due and payable by the NHAI;
- all payments and damages certified by the NHAI as due and payable to it;
- all retention and payments related to the liability for defects and deficiencies after termination of the REPL Concession Agreement;
- all remaining amounts due and payable to the lenders to the REPL Project in accordance with the relevant financing agreements in an accounting year;
- all outstanding subordinated debt;
- all incurred or accrued O&M expenses;
- any other payments required to be made under the REPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of REPL.

Indemnities: REPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of REPL failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, or (iii) make payment of amounts due resulting from materials or services provided to REPL or its contractors which are payable by any such party. In addition, REPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by REPL or its contractors. REPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. REPL

will also promptly make every reasonable effort to secure a licence for the NHAI, at its own cost, failing which, REPL will, at its own expense and without affecting the specifications, replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the REPL Project have step-in rights to substitute REPL in the event REPL breaches or defaults under the REPL Concession Agreement, provided that the NHAI will give 120 days to REPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAI and REPL will bear their respective cost; (ii) an indirect political event, the REPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAI will reimburse one half of such cost to REPL; and (iii) a political event, the NHAI will reimburse such cost to REPL.

In the event of termination of the REPL Concession Agreement the NHAI is required to make termination payments to REPL. In the event of termination due to:

- (vii) a non-political event, the NHAI will pay REPL an amount equal to 90.0% of the debt due, less insurance claims due;
- (viii) an indirect political event, the NHAI will pay REPL an amount equal to the sum of:
 - a. the debt due, less insurance claims, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; and
 - b. 110.0% of the adjusted equity (as defined in the REPL Concession Agreement);and
- (ix) a political event, the NHAI will pay REPL an amount REPL is entitled to in the event of a default by the NHAI.

Compensation for breach of the REPL Concession Agreement: In the event REPL is in material breach of the REPL Concession Agreement, REPL will compensate the NHAI all direct costs suffered or incurred by the NHAI as a result of such default. In the event the NHAI is in breach of the REPL Concession Agreement, the NHAI will compensate REPL all direct costs suffered or incurred by REPL as a result of such default. In addition, if such an event causes a suspension or reduction in collection of tolls, the NHAI will extend the concession period by the duration in which such concession period was affected, and if the daily collection is less than 90.0% of the average daily fee, the NHAI will extend the concession period in proportion to the loss of tolls for the daily basis.

Termination: The REPL Concession Agreement may be terminated on the occurrence of REPL default or the NHAI's default and in each case the default has not been cured under the terms of the REPL Concession Agreement. REPL will be deemed to be in default of the REPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, including if:

- the performance security has been encashed and appropriated according to the terms of the REPL Concession Agreement and such performance security is not replenished or furnished within 30 days;
- subsequent to the replenishment or furnishing of the performance security, REPL fails to cure its default for which the whole or part of the performance security was appropriated, within 90 days;

- REPL fails to achieve any milestones (as described in the REPL Concession Agreement) within the period set out in the REPL Concession Agreement and such failure is not cured within 90 days from the date of its occurrence;
- REPL abandons or shows its intention to abandon the operations of the REPL Project without the prior consent of the NHAI;
- REPL is in breach of the maintenance requirements or the safety requirements (each of which is as defined in the REPL Concession Agreement), as the case may be;
- REPL fails to make any payment due to the NHAI within the specified period;
- an escrow default has occurred and REPL fails to cure the default within a cure period of 15 days;
- the representative of the lenders to the REPL Project has, by notice to the NHAI, undertaken a suspension or termination, as the case may be, in accordance with the substitution agreement and REPL fails to cure the default within the specified cure period;
- a material breach of any of the project agreements by REPL;
- REPL creates any encumbrance in breach of the REPL Concession Agreement;
- REPL repudiates the REPL Concession Agreement or otherwise conveys an intention not to be bound by the REPL Concession Agreement;
- a change in ownership has occurred;
- there is a transfer of either (i) the rights and/or obligations of REPL under any of the project agreements or (ii) of all or part of the assets or undertaking of REPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of REPL to perform and REPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a material breach of the REPL Concession Agreement has occurred as a result of an execution on any of the assets of REPL;
- REPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for REPL or on any of its property that has a material bearing on the REPL Project;
- REPL has been or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would, in the reasonable opinion of the NHAI, cause a material breach;
- a resolution for or any petition for the winding up of the REPL is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 days or the REPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the REPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of REPL under the REPL Concession Agreement and the REPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the REPL Concession Agreement and project agreements by the REPL; (ii) such entity has the financial standing to perform its obligations under the REPL Concession Agreement and project agreements by the REPL and has a credit worthiness at least as good as REPL as of the financial close (as defined in the

REPL Concession Agreement); and (iii) each project agreement by the REPL remains in full force and in effect;

- any representation or warranty of REPL set out in the REPL Concession Agreement which REPL is in breach of or is found to be materially false of REPL;
- REPL submits to the NHAI any statement, notice or document, which has a material effect on the NHAI's rights, obligations or interests and which is materially false in its content;
- REPL fails to fulfil its obligation in the REPL Concession Agreement; or
- REPL commits a default in complying with any other provision of the REPL Concession Agreement if such default causes a material adverse effect on the NHAI.

REPL may terminate the REPL Concession Agreement by giving a 90 days' cure period to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the REPL Concession Agreement, causing a material adverse effect on REPL and such breach is not rectified within the cure period;
- the NHAI repudiates the REPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it; or
- the NHAI has failed to make any payment due to REPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which REPL terminates the REPL Concession Agreement, the NHAI will pay REPL an amount equal to the sum of (1) the total debt due, and (2) 150.0% of the adjusted equity (as defined in the REPL Concession Agreement).

Upon an event of default by the REPL following which NHAI terminates the REPL Concession Agreement, the NHAI will pay REPL an amount equal to 90% of debt due less insurance cover, provided if any insurance claim is not admitted and paid, then 80% of such unpaid insurance claim shall be included in the debt due.

Defects liability after termination: REPL will be liable for all defects and deficiencies of the REPL Project for a period of 120 days after the termination of the REPL Concession Agreement. For this purpose, a sum equal to 5.0% of the total tolls collected for the year immediately preceding the date that the REPL Project is transferred to the NHAI will be retained in an escrow account for 120 days after termination. REPL may, instead of retaining 5.0% of the total tolls collected, provide to the NHAI a guarantee from a bank in an amount equal to such amount for the purposes of meeting its post termination defects liability obligations.

Renewal: The concession agreement does not contain a renewal provision.

16. The Mumbai Nasik Expressway Private Limited (MNEPL) Project

The MNEPL Concession Agreement

Tolls: MNEPL is entitled to levy, collect and appropriate tolls from the commercial operational date of the MNEPL Project until the end of the concession period (the "**MNEPL Operations Period**"). The toll rates will be determined in accordance with the fees detailed in the MNEPL Concession Agreement.

Under the concession agreement the scope of work includes construction, operation and

maintenance and fulfillment of other obligations of concessionaire.

As consideration, MNEPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the MNEPL Project in accordance with the MNEPL Concession Agreement and at the rates set out in the National Highways Fee Rules, 1997. MNEPL pays the NHAI Re. 1.00 per year, as concession fees, during the term of the MNEPL Concession Agreement.

Negative Grant: NA

Change in scope of work: The NHAI may, in the form of a change in scope order, require MNEPL to perform additional work and services during the MNEPL Concession Period, provided that such change in scope order does not incur costs exceeding 5% of the Total Project Cost and does not adversely affect the COD. The costs incurred will be paid by the NHAI.

Exemption for users: MNEPL will collect tolls from local users at a discounted rate as specified in the MNEPL Concession Agreement. MNEPL will not collect tolls from users on exempted vehicles.

O&M: MNEPL is required to, among other things, operate and maintain the MNEPL Project, either by itself or through a contractor, including by modifying, repairing or otherwise making improvements to the MNEPL Project to comply with the requirements set out in the MNEPL Concession Agreement. MNEPL's O&M obligations include:

- permitting the safe, smooth and uninterrupted flow of traffic;
- charging, collecting and retaining tolls in accordance with the MNEPL Concession Agreement;
- minimising disruption to traffic in the event of accidents or other incidents affecting the safety and use of the MNEPL Project;
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage; and
- undertaking major maintenance, including resurfacing of pavements, repairs to structures and refurbishment of tolling systems, hardware and other equipment.

Maintenance Manual: MNEPL is required to, in consultation with the independent consultant appointed by the NHAI (the "**MNEPL Independent Consultant**"), prepare a repair and maintenance manual (the "**MNEPL Maintenance Manual**") for the regular and periodic maintenance of the MNEPL Project in accordance with the specifications and standards and minimum maintenance requirements set out in the MNEPL Concession Agreement.

Maintenance Programme: MNEPL is required to, in consultation with the MNEPL Independent Consultant; provide the NHAI a programme for preventive and other scheduled maintenance of the MNEPL Project (the "**MNEPL Maintenance Programme**") to ensure compliance with the MNEPL Maintenance Manual. The MNEPL Maintenance Programme will include (i) intervals and procedures for carrying out inspection of the MNEPL Project, (ii) criteria to adopt for deciding maintenance needs, (iii) Preventive maintenance schedule; (iv) intervals at which MNEPL will carry out periodic maintenance; (v) intervals for major maintenance and the scope for such major maintenance; and Lane closure schedules for each type of maintenance.

Remedial measures: In the event that MNEPL fails to maintain or repair the MNEPL Project in accordance with the specifications and standards set out in the MNEPL Concession Agreement, the MNEPL Maintenance Manual or the MNEPL Maintenance Programme, and fails to commence remedial work within 30 days of notice, the NHAI will be entitled to undertake such repair and maintenance of the MNEPL Project at the risk and cost of MNEPL and recover such cost, in addition to 25.0% of the cost as damages, from MNEPL. The NHAI is entitled to recover the sums from the

escrow account.

Monitoring and supervision during the MNEPL Operations Period: MNEPL will undertake periodic inspection of the MNEPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the “**MNEPL Maintenance Report**”) to the NHAI and the MNEPL Independent Consultant. The MNEPL Independent Consultant will review the MNEPL Maintenance Report and submit a report (the “**MNEPL O&M Inspection Report**”) to the NHAI and MNEPL. MNEPL is thereafter required to remedy defects and deficiencies as set out in the MNEPL O&M Inspection Report within 30 days from the receipt of such MNEPL O&M Inspection Report, failing which, MNEPL will submit progress reports of such work once a fortnight. MNEPL will also undertake tests if such tests are specified in the MNEPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and MNEPL Independent Consultant. In addition, MNEPL will provide the NHAI with a statement of fees once a month.

Construction of Additional Tollway: Under the MNEPL Concession Agreement, the NHAI, GoI or Government of Maharashtra are entitled to construct or operate an expressway or other toll road but not a bye-pass (the “**Additional Tollway**”) upon the eighth anniversary of the appointed date. NHAI shall ensure that the per kilometer fee to be levied and collected from any vehicle or class of vehicles using the Additional Tollway shall at no time be less than an amount which is 133% of the per kilometer Fee levied and collected from similar vehicles or class of vehicles using the MNEPL Project.

In addition, upon the commissioning of such Additional Tollway, the concession period applicable to the MNEPL Project will be increased by half the number of years by which such commissioning precedes the end of the MNEPL Operations Period.

MNEPL will not give discounts on tolls without the NHAI’s written consent, provided that any discounts given to any particular class of users or vehicles for a continuous period of three years prior to the commissioning of the Additional Tollway, will continue to apply.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the MNEPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which MNEPL will be given an option to participate. If MNEPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that MNEPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the MNEPL Concession Agreement upon paying the termination payment to MNEPL.

Limitations on shareholding changes: NA.

Insurance: MNEPL is required to maintain, at its own cost (or through an O&M provider), during the term of the MNEPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by MNEPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from MNEPL.

Escrow account: MNEPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**MNEPL Escrow Agreement**”). The MNEPL Concession Agreement provides that funds from the MNEPL Project’s lenders, tolls collected and disbursements or payments by the NHAI in exercise of its rights under the MNEPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. As set out in the MNEPL Escrow Agreement, MNEPL must instruct the escrow bank to make payments in the order below each month or proportionately if not due in that particular month, during the concession period and such order cannot be modified without the prior written consent of the NHAI:

- all taxes due and payable by MNEPL in respect of the MNEPL Project;

- all expenses in relation to construction of the MNEPL Project, subject to the terms of the relevant financing agreements;
- O&M expenses subject to the terms of the relevant financing agreements but not exceeding the limit set out in the MNEPL Concession Agreement;
- the expenses related to completing the punch list (as defined in the MNEPL Concession Agreement) incurred by the NHAI and subject to the terms of the MNEPL Escrow Agreement;
- the expenses related to repair work or O&M incurred by the NHAI and subject to the terms of the MNEPL Escrow Agreement;
- all concession fee and negative grant due and payable by MNEPL to the NHAI;
- monthly proportionate provision of all amounts due and payable to the lenders to the MNEPL Project in accordance with the relevant financing agreements in an accounting year;
- reimbursement of sums paid by the NHAI;
- one half of such amounts due to the MNEPL Independent Consultant if MNEPL fails to make the payments within 15 days of receiving a statement of expenditure from the NHAI;
- any payments and damages payable to the NHAI by MNEPL under the MNEPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of MNEPL.

Upon termination of the MNEPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by MNEPL in respect of the MNEPL Project;
- all concession fees and negative grant due and payable by the NHAI;
- all amounts due and payable to the lenders to the MNEPL Project in accordance with the relevant financing agreements in an accounting year;
- any payments and damages payable to the NHAI by MNEPL under the MNEPL Concession Agreement;
- all accrued O&M expenses;
- any other payments required to be made under the MNEPL Concession Agreement; and
- the balance, if any, in accordance with the instructions of MNEPL.

Indemnities: MNEPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of MNEPL’s failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by MNEPL without reimbursement under the MNEPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to MNEPL or its contractors which are payable by any such party. In addition, MNEPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by MNEPL or its contractors. MNEPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or

preliminary injunction that may be granted. MNEPL will also promptly make every reasonable effort to secure a licence for the NHAJ, at its own cost, failing which, MNEPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Step-in rights: Senior lenders to the MNEPL Project have step-in rights to substitute MNEPL in the event MNEPL breaches or defaults under the MNEPL Concession Agreement, provided that the NHAJ will give 90 days to MNEPL to cure such breach or default.

Force majeure: In the event of (i) a non-political event, the NHAJ and MNEPL will bear their respective cost; (ii) an indirect political event, MNEPL will bear such cost covered by insurance claims or if such cost exceeds the insurance claim, the NHAJ will reimburse one half of such cost to MNEPL; and (iii) a political event, the NHAJ will reimburse a lump sum or pay instalments with interest the force majeure cost incurred and certified by the statutory auditors, provided that no force majeure cost will be payable by the NHAJ if the concession period is extended.

In the event of termination of the MNEPL Concession Agreement, the NHAJ is required to make termination payments to MNEPL. In the event of termination due to:

- (iv) a non-political event, the NHAJ will pay MNEPL an amount equal to 90.0% of the debt due and the entire subordinated debt, less insurance claims due, if any, provided that if some insurance claims were not admitted, 90.0% of such claims would be included in the computation of the debt due;
- (v) an indirect political event, the NHAJ will pay MNEPL an amount equal to the sum of:
 - a. the debt due, less insurance claims due, if any, provided that if some insurance claims were not admitted, 80.0% of such claims would be included in the computation of the debt due; plus
 - b. the outstanding subordinated debt; plus
 - c. 110.0% of the equity spent on the MNEPL Project if termination occurs at any time between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum; and
- (vi) a political event, the NHAJ will pay MNEPL an amount equal to the sum of:
 - a. the total debt due,
 - b. 120.0% of the outstanding subordinated debt; and
 - c. 150.0% of the equity spent on the Project if termination occurs at any time between the appointed date and three years thereafter or for each successive year thereafter, such amount adjusted to reflect changes in the wholesale price index and reduced by 7.5% per annum.

Compensation for breach of the MNEPL Concession Agreement: In the event MNEPL is in material breach of the MNEPL Concession Agreement and the cure period of such a breach has expired, MNEPL will pay the NHAJ all direct additional costs suffered or incurred by the NHAJ. In the event the NHAJ is in material breach of the MNEPL Concession Agreement and the cure period of such a breach has expired, the NHAJ will pay the MNEPL all direct additional costs suffered or incurred by MNEPL.

Termination: The MNEPL Concession Agreement may be terminated on the occurrence of MNEPL's

default or the NHAI's default and in each case the default has not been cured under the terms of the MNEPL Concession Agreement. MNEPL will be deemed to be in default of the MNEPL Concession Agreement unless the default results from the occurrence of an event of default by the NHAI or force majeure event, if:

- MNEPL fails to achieve financial close (as defined in the MNEPL Concession Agreement) in accordance with the terms of the MNEPL Concession Agreement;
- MNEPL fails to achieve any milestones (as described in the MNEPL Concession Agreement) within the period set out in the MNEPL Concession Agreement and such failure is not cured within 180 days from the date of its occurrence;
- MNEPL is in material breach of the MNEPL Concession Agreement;
- MNEPL defaults as a result of its failure to comply with the terms and conditions of the MNEPL Concession Agreement, and in respect of defaults with cure periods, MNEPL fails to rectify the default within one month of notice by the NHAI (or such longer period of notice, if the NHAI so decides) after the NHAI permits MNEPL to put forward a programme with details for remedying any breach within 15 days of notice by NHAI;
- MNEPL creates any encumbrance, charge or lien, in breach of the MNEPL Concession Agreement;
- the shareholding of the Consortium Members falls below the minimum prescribed under Concession Agreement and such such default is not cured within 90 days of its occurrence;
- there is a transfer of either (i) the rights and/or obligations of MNEPL under any of the project agreements or (ii) of all or material part of the assets or undertaking of MNEPL except for such transfer which, in the reasonable opinion of the NHAI, does not affect the ability of MNEPL to perform and MNEPL has the financial and technical capacity to perform its material obligations under the project agreements;
- a resolution is passed by the shareholders of MNEPL for the voluntary winding up of MNEPL;
- MNEPL is adjudged bankrupt or insolvent or if a trustee or receiver is appointed for MNEPL or on any of its property that has a material bearing on the MNEPL Project;
- any petition for the winding up of the MNEPL is admitted by a court of competent jurisdiction or the MNEPL is ordered to be wound up by the court, except if there is an amalgamation or reconstruction, the property, assets and undertaking of the MNEPL are transferred to the amalgamated or reconstructed entity and that such entity has unconditionally assumed the obligations of MNEPL under the MNEPL Concession Agreement and the MNEPL Project and provided that (i) such entity has the technical capacity and operating experience to perform its obligations under the MNEPL Concession Agreement and project agreements by the MNEPL; (ii) such entity has the financial standing to perform its obligations under the MNEPL Concession Agreement and project agreements by the MNEPL and has a credit worthiness at least as good as MNEPL as of the financial close (as defined in the MNEPL Concession Agreement); and (iii) each project agreement by the MNEPL remains in full force and in effect;
- a material breach of any of the project agreements by MNEPL;
- an event of default by MNEPL under any of the financing documents or any of the senior lenders has recalled its loan under any of the financing documents;

- MNEPL abandons the operations of the MNEPL Project for more than 15 consecutive days without the prior consent of the NHAI, unless such abandonment (i) is as a result of an occurrence of a force majeure event and such force majeure event is continuing or (ii) results from a breach of obligations by the NHAI;
- MNEPL repudiates the MNEPL Concession Agreement or otherwise conveys an intention not to be bound by the MNEPL Concession Agreement;
- a material adverse effect occurs on the MNEPL Project which continues for 15 days from the date of such occurrence;
- MNEPL fails to make any payment due to the NHAI and such non-payment exceeds 90 days; or
- MNEPL is in breach of its obligations to repay the revenue shortfall loan (as defined in the MNEPL Concession Agreement) in accordance with the MNEPL Concession Agreement.

Upon an event of default by MNEPL following which the NHAI terminates the MNEPL Concession Agreement, the NHAI will pay MNEPL an amount equal to 90.0% of the debt due, less insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80.0% of such unpaid sums will be included in the calculation of the debt due.

MNEPL may terminate the MNEPL Concession Agreement by giving a 90 days' notice in writing to the NHAI. A default by the NHAI will include the occurrence of one or more of the following events:

- the NHAI is in material breach of the MNEPL Concession Agreement, causing a material adverse effect on MNEPL and such breach is not rectified within the cure period;
- the NHAI repudiates the MNEPL Concession Agreement or otherwise takes an action which expresses its irrevocable intention not to be bound by it;
- the Gol, the state government or any governmental agency acted or omitted to act and created circumstances that have a material adverse effect on the performance of MNEPL's obligations and have failed to cure such material adverse effect within 90 days of notice by the NHAI; or
- the NHAI has failed to make any payment due to MNEPL and such delay is not rectified within the cure period.

Upon an event of default by the NHAI following which MNEPL terminates the MNEPL Concession Agreement, the NHAI will pay MNEPL an amount equal to the sum of (1) the total debt due, plus (2) 120.0% of the total subordinated debt, plus (3) 150.0% of the equity (subscribed in cash and actually spent on the MNEPL Project) in MNEPL if the termination occurs three years from the appointed date (that is, 180 days after the signing of the MNEPL Concession Agreement), and for each successive year thereafter, the amount will be adjusted every year to reflect the changes in WPI, during such year such that the adjusted amount is a reduction of 7.5% per annum from the previous year's amount.

Defects liability after termination: MNEPL and the MNEPL Independent Consultant will conduct a joint inspection of the MNEPL Project not less than 30 months or more than 36 months prior to the expiry of the term of the MNEPL Concession Agreement. MNEPL will thereafter conduct a second joint inspection not less than nine months or more than 12 months prior to the expiry of the term of the MNEPL Concession Agreement. MNEPL will carry out renewal works, at its own cost, in accordance with the procedure set out under the terms of the MNEPL Concession Agreement.

In addition, an amount equal to the higher of (i) the tolls collected in the last two years of the term of

the MNEPL Concession Agreement for a traffic volume of 10,000 PCUs per day per year two years before the expiry of the term of the MNEPL Concession Agreement, or (ii) such sum estimated by the MNEPL Independent Consultant to be used for renewal works, will be retained in the escrow account, provided that if MNEPL issues a bank guarantee in equivalent sum in favor of the NHAI, no retention of sums in the escrow account is required.

17. The Kosi Bridge Infrastructure Company Private Limited (KBICPL) Project

The KBICPL Concession Agreement

The scope of KBICPL is construction of four bridge, guide bunds and afflux bunds, approaches from Km 158.550 to Km 159.185 (length 10.5635 km) on the basis of built operate transfer on Annuity basis. In consideration of the KBICPL undertaking to perform obligations set forth in CA, NHAI agrees to pay Annuity in accordance with the timeline set forth in Schedule-G.

Negative Grant: NA

Annuity: In consideration of the KBICPL's undertaking to perform obligations set forth in Concession Agreement, NHAI agrees to pay Annuity of Rs. 31.90 Cr every 6 months in accordance with the schedule annexed in Schedule-G.

Assured Availability:

If KBICPL fails to perform its obligations and the actual availability of carriageway was less during the Annuity period, then the Annuity due shall be reduced proportionately. The carriageway shall be deemed to be unavailable if a) the same is closed to Traffic, b) The KBICPL Independent Consultant determines that riding quality is deteriorated with respect to the Maintenance Requirements in Schedule-L and if KBICPL Independent Consultant opines that it is not safe for operations.

Payment Mechanism for Annuity: KBICPL shall raise invoice atleast one month prior to the Due Date of Annuity and upon receipt of invoice and recommendation of KBICPL Independent Consultant, NHAI will proceed to disburse Annuity on the Due Date.

Change in scope of work: The NHAI may, in the form of a change in scope order, require KBICPL to perform additional work and services during the KBICPL Operations Period, provided that such change in scope order does not incur costs exceeding 10.0% of the total cost of the KBICPL Project. The costs incurred will be paid by the NHAI.

O&M: The Concessionaire i.e., KBICPL shall operate and maintain the Project and Project facilities by itself or through a contractor including by modifying, repairing or otherwise making improvements to comply with the requirements set out in the KBICPL Concession agreement.

KBICPL shall be responsible for:

- Ensuring smooth and uninterrupted flow of traffic during normal operating condition.
- Minimizing disruption to traffic in the event of accidents or other incidents affecting the use of project and project facilities.
- undertaking routine maintenance, including repairs of potholes, cracks, joints, drains, lighting and signage.
- Undertaking maintenance work in accordance with maintenance manual and maintenance programme.

Maintenance manual: KBICPL requires to, in consultation with Independent Consultant for regular and periodic maintenance and shall ensure and procure that at all times during the operation period, the project is maintained in a manner that it complies with specifications and standard.

Maintenance Programme: KBICPL is required to, in consultation with the KBICPL Independent Consultant, KBICPL shall provide proposed programme of preventive and other scheduled maintenance of the project. Such maintenance programme include following:

- Intervals and procedures for carrying out of inspection of all elements of the projects.
- Criteria to be adopted for deciding maintenance needs.
- Preventive maintenance schedule.

Maintenance shall include replacement of equipment, consumables, horticultural maintenance and repairs to equipment, pavements, bridges, structures and other civil works which are part of the project/project facilities.

Monitoring and supervision during the KBICPL Operations Period: KBICPL will undertake periodic inspection of the KBICPL Project at least once a month or once a week during the monsoon season and submit reports of such inspection (the “**KBICPL Maintenance Report**”) to the NHAI and the KBICPL Independent Consultant. The KBICPL Independent Consultant will review the KBICPL Maintenance Report and submit a report (the “**KBICPL O&M Inspection Report**”) to the NHAI and KBICPL. KBICPL is thereafter required to remedy defects and deficiencies as set out in the KBICPL O&M Inspection Report within 30 days from the receipt of such KBICPL O&M Inspection Report, failing which, KBICPL will submit progress reports of such work once a fortnight. KBICPL will also undertake tests if such tests are specified in the KBICPL O&M Inspection Report and provide a copy of the results of the tests and supporting material to the NHAI and KBICPL Independent Consultant. In addition, KBICPL will provide the NHAI with a statement of fees once a month.

Indemnities: KBICPL will indemnify the NHAI, its officers, servants, agents, subsidiaries and contractors (the “**NHAI Indemnified Persons**”) against any and all loss and damages arising out of KBICPL's failure to (i) comply with applicable laws and applicable permits, (ii) make payment of taxes relating to its contractors, suppliers and representatives, income or other taxes required to be paid by KBICPL without reimbursement under the KBICPL Concession Agreement or (iii) make payment of amounts due resulting from materials or services provided to KBICPL or its contractors which are payable by any such party. In addition, KBICPL will indemnify the NHAI Indemnified Persons from and against any and all damages they may suffer as a result of demands, claims, suits or proceedings arising out of claims of infringement of patent rights, copyrights or other intellectual property, proprietary or confidentiality rights used by KBICPL or its contractors. KBICPL will make every reasonable effort to restrain any suit, claim or proceedings, temporary restraint order or preliminary injunction that may be granted. KBICPL will also promptly make every reasonable effort to secure a license for the NHAI, at its own cost, failing which, KBICPL will, at its own expense and without affecting the specifications, (i) replace the affected work, (ii) part or process the non-infringing work, or (iii) part, process or modify the affected work so that it becomes non-infringing.

Escrow account: KBICPL opened and established an escrow account with a bank, and in this regard, entered into an escrow agreement with such a bank (the “**KBICPL Escrow Agreement**”). The KBICPL Concession Agreement provides that funds constituting the Financial Package, and disbursements or Annuity payments by the NHAI in exercise of its rights under the KBICPL Concession Agreement, subject to any deductions and appropriation, will be deposited into the escrow account. The KBICPL shall deposit or cause to be deposited the following inflow and receipts into the Escrow Account.

- Taxes payable by Concessionaire.
- Payments related to construction of the Project Highway.
- O&M Expenses incurred by Concessionaire.
- O&M expenses incurred by NHAI.

- Concession Fee including Premium payable to NHAI.
- Monthly proportionate provision for Debt service due in an Accounting Year.
- Damages payable to NHAI, if any.
- Monthly proportionate provisions of debt service payment due in an Accounting Year in respect of subordinate Debt.
- Balance if any as per the instructions of Concessionaire.

Upon termination of the KBICPL Concession Agreement, the amounts in the escrow account will be appropriated and dealt with in the order below:

- all taxes due and payable by KBICPL in respect of the KBICPL Project;
- all Concession Fees due and payable to NHAI under this Agreement;
- all accrued Debt Service Payment;
- all the payment and damages certified by the Authority as due and payable to it by the KBICPL, including Termination claims and recovery due to reduction in scope of Work
- all accrued Debt Service Payment;
- All the payment and damages certified by the Authority as due and payable to it by the KBICPL, including Termination claims and recovery due to reduction in scope of Work;
- Incurred or accrued O&M Expenses or any other payments required to be made this agreement.

Insurance: KBICPL is required to maintain, at its own cost (or through an O&M provider), during the term of the KBICPL Concession Agreement, insurance of such types and such amounts as are prudent in accordance with good industry practice and as required under the financing documents. Such insurance must include a waiver of any right of subrogation of the insurers against, among others, the NHAI. The failure by KBICPL to maintain such insurance will entitle the NHAI to recover the cost of such insurance from KBICPL.

Force majeure: In the event of (i) a non-political event, the NHAI and KBICPL will bear their respective cost; (ii) an indirect political event, KBICPL will bear such cost covered by insurance claims and for such cost exceeding the insurance claim, the NHAI will reimburse one half of such cost to KBICPL; and (iii) a political event, the NHAI will reimburse a lump sum or pay installments with interest the force majeure cost incurred and certified by the statutory auditors, provided that no force majeure cost will be payable by the NHAI if the concession period is extended

In the event of termination of the KBICPL Concession Agreement, the NHAI is required to make termination payments to KBICPL. In the event of termination due to:

4. If the termination is on the account of a Non-political Event, no Termination Payment shall be made by NHAI but the KBICPL is entitled to receive and appropriate the proceeds of any insurance obtained by it.
5. If the termination is on the account of a Indirect-political Event, NHAI shall pay to the KBICPL Termination Payment equal to 75% of the Discounted Value of Future Net Cashflows.

6. If the termination is on the account of a Political Event, NHAI shall pay to the KBICPL Termination Payment equal to the Discounted Value of Future Net Cashflows.

Augmentation of capacity: The NHAI may conduct a detailed traffic study at any time after eight years from the commissioning of the KBICPL Project and decide to augment its capacity. The NHAI will thereafter commence a bidding process in which KBICPL will be given an option to participate. If KBICPL participates in the bidding process and fails to submit the lowest bid, it will be given a right of first refusal to match the preferred bid. In the event that KBICPL chooses not to participate in the bidding process or fails to or declines to be the preferred bidder, the NHAI will have the right to terminate the KBICPL Concession Agreement upon paying the termination payment to KBICPL.

Annexure C**Details of revenue during the half year, project-wise from the underlying project:****Amount in Rs. Crore**

S.No	Name of the Company	H1 FY 24
1	KWTPL	135.65
2	KTTRPL	136.54
3	DHTPL	36.97
4	WATPL	63.64
5	BPPTPL	289.67
6	HYTPL	61.63
7	SUTPL	57.50
8	BRTPL	21.53
9	BHTPL	89.12
10	DPTPL	145.93
11	AJTPL	16.17
12	NSEPL	21.79
13	MBHPL	70.95
14	SEL	242.27
15	REPL	93.70
16	MNEL	135.95
17	KBICL	31.90

**D & P India Advisory Services LLP**

#750, 37th F Cross, 16th Main,
4th T Block, Jayanagar,
Bangalore - 560 041
Karnataka, India
LIN No.: AAO-0847
T +91 9945366221

Registered valuer No: IBBI/RV-E/05/2020/131

EXECUTIVE SUMMARY

We understand that IndInfravit Trust and BIF India Holdings Pte Ltd. and Kinetic Holdings Pte 1 Ltd., companies owned by funds managed by Brookfield Asset Management Inc., executed definitive agreements whereby IndInfravit has agreed to purchase the entire equity shareholding of five operational road projects (“Specified Road Projects”) from Brookfield Asset Management Inc.

In this regard, D & P India Advisory Services LLP has been engaged by IndInfravit Trust to provide an independent assessment of the Enterprise Value of Specified Road Projects for internal decision-making purposes, as of March 05, 2023 (“Valuation Date”).

We have issued a detailed report with exhibits to the Management of IndInfravit Trust and this is an executive summary prepared specifically for corporate secretarial matters. This executive summary should be read in conjunction with the detailed valuation report with detailed exhibits titled “**Valuation of Specified Road Projects for internal decision-making purpose as of March 05, 2023**” issued on March 14, 2023 along with caveats, terms and conditions and other disclaimers which are part of the engagement letter and our detailed report.

SCOPE AND PURPOSE OF THE ANALYSIS

The scope of this analysis is to provide an estimate of the Enterprise Value of five Specified Road Projects for internal decision-making purposes.

The Specified Road Projects comprise of three toll roads and two annuity roads, with approx. 2,400 lane kms in Andhra Pradesh, Bihar, Maharashtra and Uttar Pradesh. The roads portfolio has been operational, on an average, for approximately 9 years, and have an average residual concession period of 20 years.

Five road projects are as follows:

- **Mumbai Nasik Expressway Limited (“MNEL”)** – MNEL is a 99.5 Km operational toll road in the state of Maharashtra. The project was awarded by NHAI after competitive bidding in 2005-06 for widening of the existing two-lane road to a four-lane divided carriageway on Build-Operate- Transfer (Toll) basis.
- **Simhapuri Expressway Limited (“SEL”)** – SEL operates a 183.7 Km toll road on National Highway 5 in the state of Andhra Pradesh, linking Nellore to Chilakaluripet. The project stretch operates under a 30-year concession, awarded by NHAI after competitive bidding in 2010 for widening of the existing four-lane divided carriageway to a six-lane configuration on Build-Operate-Transfer (Toll) basis.
- **Rayalseema Expressway Private Limited (“REL”)** – REL operates a 188.8 Km toll road on National Highway 40 (erstwhile NH 18) in the state of Andhra Pradesh, linking Cuddapah to Kurnool. The project stretch operates under a 30-year concession, awarded by

NHAI after competitive bidding in 2010 for widening of the existing two-lane road to a four-lane configuration on Build- Operate-Transfer (Toll) basis.

- **Gorakhpur Infrastructure Company Private Limited (“GICL”)** - GICL operates 32.7 Km of Gorakhpur Bypass on NH-28 which forms a part of existing National Highway East West corridor from Porbandar (Gujarat) to Silchar (Assam) on annuity basis. The project road starts from Km. 0.000 near Kalesar village and ends at 32.270 near Jagadishpur village with an elevated corridor of approx. 2.9 Km.
- **Kosi Bridge Infrastructure Company Private Limited (“KBICL”)** – KBICL operates and maintains a 1.87 Km 4 lane Bridge across Kosi River on NH 57 and an 8.76 Km approach road in the state of Bihar on annuity basis. Additionally, maintenance of Guide Bunds (Eastern Slide – 2.64km, Western Side – 2.88km) & Afflux Bunds (Eastern Slide – 7.77Km, Western Side – 7.93Km) of 21.22 km length come under the purview of KBICL.

These road assets are together referred to as “Specified Road Projects”.

DATE OF VALUATION

The management of IndInfravit Trust has indicated the date of valuation to be March 05, 2023.

VALUATION APPROACH

In estimating the Enterprise Value of Specified Road Projects, considering the nature and reliability of information of the Specified Road Projects, only the Income approach is considered appropriate.

Income Approach – Discounted Cash Flow Method (“DCF”)

A DCF analysis provides an indication of the value of a business / asset by reference to the present value of the future cash flows which are expected to arise from the business.

Free Cash Flow to Firm (“FCFF”) method is used to arrive at the enterprise value. This method involves discounting of the future forecasted free cash flows to the firm holders using cost of capital to arrive at the firm value.

Since Specified Road Projects are limited life asset, financial projections for the remaining life of each of the Specified Road Projects have been relied upon under DCF.

Discount Rate Development

The income approach requires the application of an appropriate discount rate that reflects the risks of the cash flows. Since free cash flows available to all stakeholders are being discounted, WACC is used as the discount rate.

Project	Concluded Cost of Equity	Concluded WACC
MNEL	14.3%	11.1%
SEL with Extension	14.1%	10.7%
SEL without Extension	14.3%	11.0%
REPL	13.9%	10.3%
KBICL	12.8%	10.9%
GICL	12.3%	10.1%

Conclusion

Enterprise Value for the Specified Road Projects has been estimated using Discounted Cash Flow (DCF) method under Income Approach.

Management of IndInfravit Trust has provided the financial projections for each of the Specified Road Projects. The projected financial information is based on management estimates of future cash flows which are derived using the traffic study report and technical assessment report. The traffic study report is provided for 3 toll road projects (MNEL, SEL, REL) by Steer Davies & Gleave Limited. The technical assessment reports are provided for each of the Specified Road Projects. The technical assessment report for REL, SEL and KBICL is provided by RUKY Projects Private Limited, for MNEL is provided by INROAD Techno Consultants Private Limited and for GICL is provided by M/s Sri Infotech.

Based on the information and analysis summarized in this report, D & P India Advisory Services LLP estimates of the Enterprise Value of each of the Specified Road Projects as of March 05, 2023 is as follows;

Valuation Summary

Particulars	Value (INR Mn)	Value (INR Mn)
Enterprise Value – MNEL	3,520.0	3,520.0
Enterprise Value - SEL with extension	61,270.0	-
Enterprise Value - SEL without extension	-	54,670.0
Enterprise Value – REPL	25,100.0	25,100.0
Enterprise Value – KBICL	1,760.0	1,760.0
Enterprise Value – GICL	2,720.0	2,720.0
Total Enterprise Value	94,370.0	87,770.0

Borrowings or repayment of borrowings:**Amount in Rs. Crore**

SPVs	Opening Balance	Additional Drawl	Repayment	H1 Closing Balance
NSEL	51.27	-	9.64	41.63
Trust*	3,998.99	7,661.00	3,438.51	8,221.48

*Detailed Breakup of Trust borrowings

Amount in Rs. Crore

Particulars	Opening Balance	Additional Drawl	Repayment	H1 Closing Balance
ICICI - Fac A	195.36	-	37.50	157.86
ICICI - Fac C	154.63	-	24.60	130.03
ICICI - Fac D	200.00	67.00	13.35	253.65
ICICI - New Fac	1,007.00	-	21.20	985.80
ICICI	-	1,900.00	19.38	1,880.62
SBI	1,442.00	-	9.37	1,432.63
Axis	1,000.00	-	6.50	993.50
Kotak	-	337.00	3.44	333.56
IIFCL	-	700.00	7.14	692.86
NCD	-	1,375.00	14.03	1,360.98
CP*	-	3,282.00*	3,282.00	-
Total	3,998.99	7,661.00	3,438.51	8,221.48

*- CP Drawn is Rs. 3,282 (Rs. 5.35 Cr Int and 3,276.65 Principal)

May 24, 2023

IndInfravit Trust: Rating reaffirmed; rated amount enhanced; ratings assigned for NCD programme and commercial paper programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme^	475.00	475.00	[ICRA]AAA(Stable); Reaffirmed
NCD programme^	-	900.00	[ICRA]AAA(Stable); Assigned
Commercial paper programme^	-	4,300.00	[ICRA]A1+; Assigned
Fund-based bank facilities - Term loan	-	3,300.00	[ICRA]AAA(Stable); Assigned
Fund-based bank facilities - Term loan	1,385.00	1,385.00	[ICRA]AAA(Stable); Reaffirmed
Fund-based bank facilities - Term loan	2,716.00	2,716.00	[ICRA]AAA(Stable); Reaffirmed
Unallocated limits^^	9.00	534.00	[ICRA]AAA(Stable); Reaffirmed/Assigned
Issuer rating	-	-	[ICRA]AAA(Stable); Reaffirmed
Total	4,585.00	13,610.00	

*Instrument details are provided in Annexure-I

^ yet to be placed;

^^ The unallocated limits are interchangeable between NCDs and long-term bank facilities

The ratings assigned by ICRA is not a comment on the ability of IndInfravit Trust ("IndInfravit" or "Trust" or "InvIT") to meet distribution/dividend payouts to unitholders/investors, neither should it be construed as a comment on the debt servicing ability of the individual project assets or special purpose vehicles (SPVs) held by the Trust.

ICRA has undertaken the consolidated financial analysis of IndInfravit and 18 SPVs including the existing underlying SPVs — Krishnagiri Thopur Toll Road Pvt Limited (KTTPL), Krishnagiri Walajahpet Tollway Pvt Limited (KWTPL), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), and the five assets being acquired currently — Gorakhpur Infrastructure Company Private Limited (GICPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL), Mumbai Nashik Expressway Private Limited (MNEPL), Simhapuri Expressway Limited (SEL), and Rayalaseema Expressway Private Limited (REPL). IndInfravit has a 100% equity stake in the existing SPVs (directly or indirectly) and is likely to acquire 100%¹ stake in the five SPVs (GICPL, KBICPL, MNEPL, SEL and REPL, collectively referred as target assets, to be acquired from funds managed by Brookfield Asset Management (Brookfield). The Trust is in advanced stages of completing the acquisition of five operational assets from Brookfield in two tranches, tranche 1 – involving KBICPL, MNEPL, SEL and REPL are expected to be acquired in June 2023 and tranche 2 involving GICPL is likely to be acquired by Q2 FY2024. The required regulatory approvals have been received for tranche 1 assets and approval for tranche 2, i.e., GICPL is awaited.

The Trust has full cash flow fungibility for SPVs that do not have any external debt as well as unhindered access to the surplus cash flows of the SPVs that have external debt [NSEWPL is the only SPV which has external debt]. NSEWPL has comfortable debt servicing coverage ratio (DSCR) and significant cushion from the cash trap trigger levels, as defined in its financing agreements, thereby enabling it to upstream its surplus to InvIT. Further, the Trust is in the process of refinancing the entire debt at the target assets with debt raised at InvIT level.

¹ nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

Rationale

The rating action favourably notes IndInfravit's diversified project portfolio (existing and target assets) comprising 14 toll road projects with an average toll collection track record of around ten years and four annuity road projects with an average operational track record of more than 10 years. The ratings consider IndInfravit's healthy financial risk profile with strong debt coverage metrics with average DSCR of more than 1.8 times as per ICRA's base case estimates for the debt tenure and a moderate leverage² of ~44% as on March 31, 2023. The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from the National Highway Authority of India [NHAI; rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~6% of the estimated FY2024 revenues. ICRA expects the toll collections of IndInfravit to grow by ~8% in FY2024 on the back of moderation in WPI, after a stellar growth of around 20% in FY2023.

The ratings take into account the benefit of cash flow pooling for the SPVs and the Trust, so that the cash flows of the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the InvIT. This will also ensure that major maintenance (MM) in any of the SPVs is not impacted by the lack of funding, especially as the SPVs do not plan to maintain major maintenance reserve (MMR) sufficiently in advance. Further, the ratings draw comfort from the structural features, including maintenance of a three-month debt service reserve (DSR) in the form of bank guarantee throughout the loan tenure and provision for cash trap mechanism in case the DSCR falls below pre-determined values, as per quarterly testing at the consolidated level.

The Trust is currently in the process of raising Rs. 4,675 crore of long-term finances through a combination of rupee term loan and NCDs for acquiring five assets from Brookfield. ICRA notes that the Trust received SEBI approval in December 2021 for increasing the leverage up to 70% (from 49%). However, its leverage is expected to remain at around 50% even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile. The InvIT's future debt raising plans, primarily to fund future acquisitions, capex and MM, and its impact on the coverage metrics would remain a key monitorable going forward.

The Trust remains exposed to the risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or modes of transportation. In this regard, ICRA takes into account the subdued traffic in FY2023 in two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows as they account for around 4.6% of the consolidated estimated revenues in FY2024. ICRA also notes the various upcoming expressways and alternative routes, which could potentially result in diversion of traffic from the existing stretches over the medium term and has accordingly considered its impact going forward in ICRA projections. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

Further, the InvIT will be exposed to residual execution risks in KWTPL and periodic maintenance to be undertaken in all the SPVs over the concession period. In addition, three of the SPVs—BPP, HYTPL and SUTPL, have commitment to pay sizeable premium to the NHAI over the concession period, which have been factored in ICRA's base case estimates. Part of the premium in SUTPL and HYTPL continues to be deferred, which has increased the cash outflow in the future years. Two road SPVs have concession from state authorities, which has exposed the InvIT to risks pertaining to decisions of these authorities with respect to applicability of toll rates and the timeliness of annuity payments. However, these SPVs are estimated to contribute only ~6% of the InvIT revenues in FY2024 respectively.

IndInfravit provides for MM expenditure for its underlying projects and each stretch is assessed for the road quality prior to the beginning of the financial year and necessary reserves are built up on a quarterly basis as per the MM estimates for the

² Leverage is defined as ratio of consolidated external borrowings and deferred payments to enterprise value as per yearly valuation report dated March 31, 2023

year. Although the actual MM expenditure is lower than provisions during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the concession agreement (CA) leading to penalties from the authorities will remain a key rating monitorable.

ICRA notes the DSCR-related financial covenant, which may result in debt acceleration ahead of maturity. However, ICRA draws comfort from the Trust's healthy financial flexibility with project life coverage ratio (PLCR) of more than 1.6 times (as per ICRA's base case estimates). Its cash flows will be exposed to interest rate risk given the rising interest rate scenario, which will be a key monitorable in the near term. ICRA draws comfort from the Trust's strong liquidity, as reflected in the unencumbered cash balance and liquid investment of ~Rs. 840 crore as on March 31, 2023 at the consolidated level.

The ratings take into account the impact of acquisition of Brookfield's assets on the credit profile of the InvIT and the key terms of the borrowing programme. The acquisition of five operational assets (3 Toll and 2 Annuity) is in advanced stages and is expected to be completed in two tranches with tranche 1 – involving KBICPL, MNEL, SEL and REPL are likely to be acquired in June 2023 and tranche 2 involving GICPL is likely to be acquired by Q2 FY2024. These assets have an established track record of toll collections and annuity receipts from the authority. The acquisition is proposed to be funded through a mix of fresh debt and preference capital from the existing unitholders - Canada Pension Plan Investment Board (CPPIB) and The Ontario Municipal Employees Retirement System (OMERS). Although the leverage and coverage metrics are likely to remain at comfortable levels post the acquisition (as per the proposed terms), the actual funding mix and impact on the InvIT's leverage and coverage metrics will remain a key monitorable.

Additionally, the Trust is planning to raise up to Rs. 4,300 crore of commercial paper (CP) as intermediate/bridge financing for completing the Brookfield acquisition, which shall be squared off upon its maturity, with the preference money being raised from CPPIB and/or OMERS. Only upon the receipt of preference money and the completion of allotment and listing of units to CPPIB and OMERS (this ensures that the preference money is available to IndInfravit Trust for the repayment of the CP), the Trust will be raising the CP for an amount equivalent or lower than the preference money raised.

The Stable outlook on the rating reflects ICRA's expectation that IndInfravit will continue to benefit from the diversified profile of its portfolio of assets, which along with the comfortable leverage should help in maintaining robust debt coverage metrics and strong liquidity profile. Going forward, the trends in traffic growth and movement in inflation/WPI (for toll rate hike) will remain the key rating sensitivities. Further, the Trust's ability to manage routine and periodic maintenance expenses within the budgeted levels remains critical. Also, future asset acquisitions, additional borrowings (other than envisaged) and regulatory changes that can impact its financial risk profile will remain monitorables. In this regard, ICRA notes that the ability of the IndInfravit to raise fresh unit capital in future to acquire new assets and/or maintain leverage at an adequate level would depend on its ability to generate healthy returns for the unitholders on a sustained basis. Therefore, the returns for unitholders will be a determinant for assessing the financial flexibility of the Trust.

Key rating drivers and their description

Credit strengths

Operational nature of asset portfolio with track record of toll collection and annuity assets provide stability to revenues – IndInfravit currently has a portfolio of 14 BOT toll road projects (13 toll road projects undertaken on public private partnership (PPP) basis in the CA with the NHAI and one toll road projects in concession with state authority). The average toll collection track record of the portfolio is around ten years. The long operational track record of the projects establishes stability of toll collections and leads to the expectation of a stable profile in future. Further, the portfolio includes 4 BOT annuity road projects undertaken on PPP basis (3 in CA with the NHAI and other with Karnataka state authority). The 4 annuity road projects have an average operational track record of more than 10 years. The annuity projects in turn provide revenue stability and diversification to an extent.

The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from NHAI [rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~5% of the

estimated FY2024 revenues. ICRA expects the toll collections of IndInfraVIT to grow by ~8% in FY2024 on the back of moderation in WPI, after a stellar growth of around 20% in FY2023.

Comfortable leverage levels – The Trust is in advanced stages of completing the acquisition of five operational assets from Brookfield and is likely to conclude the acquisition by Q2 FY2024. It is raising Rs. 4,675 crore of long-term debt and Rs. 4,180 crore of equity for funding the acquisition at D:E ratio of 53:47. However, the leverage is expected to remain at around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfraVIT's strong credit profile

Strong financial profile of Trust – The ratings consider the robust cash flow cover, with projected average DSCR as per ICRA's base case estimates of more than 1.8 times. The ratings also take into account other features like maintenance of three-month DSRA in the form of bank guarantee throughout the loan tenure and provision for cash trap in case the DSCR falls below the pre-determined values, as per quarterly testing. ICRA expects the coverage ratios of IndInfraVIT Trust to remain strong on the back of toll collection growth of ~8% in FY2024, supported by toll rate growth linked to WPI.

Large and reputed anchor investors – The key unitholders of IndInfraVIT comprise reputed pension funds - CPPIB and OMERS, and asset manager Allianz Capital Partners (ACP) who together hold ~93% of the unitholding as on March 31, 2023. The investors have an established track record of investing in the infrastructure sector. LTIDPL InvIT Services Limited (LISL) is the investment manager for the InvIT. The governance at LISL is undertaken by its board of directors comprising nine board members, with four representatives of the key stakeholders and five independent directors. The directors have extensive experience in the infrastructure sector in project management, corporate strategy, risk management, etc.

Cash pooling benefit of InvIT and regulatory approval for increase in consolidated leverage – The ratings consider the benefit of cash flow pooling for the SPVs and the Trust, which ensures that the cash flows of all the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the Trust. The cash pooling ensures that MM exercise in any of the SPVs is not impacted by the lack of funding, especially as the SPVs do not plan to maintain MMR sufficiently in advance. The Trust received SEBI approval in December 2021 for increasing the leverage up to 70% (from 49%), while its leverage is expected to remain around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfraVIT's strong credit profile. The InvIT's future debt raising plans, primarily to fund future acquisitions, capex and MM, and its impact on the coverage metrics would remain a key monitorable going forward.

Credit challenges

Risks inherent in BOT toll road projects – IndInfraVIT is exposed to risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or alternate modes of transportation. In this regard, ICRA takes into account the subdued traffic in FY2023 in the two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows given that they account for only around 4.6% of consolidated estimated revenues in FY2024. Further, ICRA has considered the impact on traffic owing to various upcoming expressways and alternative routes over the medium term. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

While InvIT has most of its assets in concession from NHAI, it has one toll asset and one annuity asset with concession from the state authority. This exposes the Trust to risks arising from decisions of these authorities with respect to the applicability of toll rates and the credit profile of the state authority for the annuity asset. In this context, ICRA notes that the tolling of passenger vehicles and state transport buses has been exempted in AJTPL. This exemption was, however, in effect prior to AJTPL's acquisition by the Trust. AJTPL also receives compensation from the authority for tolling exemption on the two vehicular categories. The SPVs which are in concession with state authorities account for only ~6% of the InvIT revenues in FY2024.

BPP has commitment to pay sizeable premium to NHAI over the concession period and a part of the premium has been deferred in the past, which has increased the cash outflow in the future years. The project has witnessed lower-than-initially-envisaged traffic and therefore a healthy increase in traffic and toll collections on the project stretch will be important, given the sizeable outflows towards premium and MM expenditure in future. In the absence of strong growth, BPP's project stretch may remain a drag on the overall returns to unitholders. BPP's project stretch has witnessed the healthy recovery of traffic in the recent quarters, however, sustenance of the same remains to be seen.

Undertaking regular and periodic maintenance/capex within budgeted cost – The cash flows of the underlying assets depend on the timely undertaking of regular operations and maintenance (O&M) and periodic maintenance (major maintenance) as specified in the CA and within the budgeted costs. While ICRA takes these parameters into consideration to determine the sensitivities, any significant variations from the budgeted levels can impact the Trust's cash flows. Further, the SPVs do not have provision for building MMR sufficiently in advance, in the absence of which the cash outflows during the period of periodic maintenance could be significant. In this context, the cash flow pooling mechanism among the individual SPVs and with the Trust that will help in meeting the funding requirement in SPVs. ICRA notes that, the InvIT would not be able to support the individual asset pools in the periods, where the cash trap event has occurred. However, the robust cash flow profile of the portfolio provides comfort.

IndInfravit provides for MM expenditure for its underlying projects and each stretch is assessed for the road quality prior to the beginning of the financial year and necessary reserves are built up on a quarterly basis as per the MM estimates for the year. Although the actual MM expenditure is lower than estimated during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the CA leading to penalties from the authorities will remain a key rating monitorable. Any surplus in reserves at the end of the year are released as per the terms of financing. Any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the CA leading to penalties from the authorities will remain a key rating monitorable.

Risk of future asset acquisition by the Trust and its funding pattern – The Trust may acquire additional projects in future, which could have a material impact on its operational and financial risk profile. However, ICRA draws comfort from the management's strategy that the new asset acquisition will be funded such that the overall leverage remains comfortable. If IndInfravit acquires any other asset or raises any additional debt in future, ICRA will at that juncture, evaluate the impact of the same on the rating.

Liquidity position: Strong

The liquidity position is expected to remain strong with adequate toll collections to meet the operational expenses and debt servicing requirements. As on March 31, 2023, IndInfravit held unencumbered cash and bank balances of around Rs. 840 crore at the consolidated levels. The consolidated debt repayment of Rs. 340 crore (including debt repayments of proposed long-term debt of Rs. 4,675 crore) in FY2024 can be comfortably serviced from the Trust's cash flows.

Rating sensitivities

Positive factors – Not Applicable.

Negative factors – The ratings may be downgraded if any debt-funded acquisition results in a significant increase in leverage (loan to value) or unfavourable changes in debt structure, thereby resulting in material decline in debt coverage metrics. Lower-than-anticipated collections in SPVs or increase in costs, resulting in average DSCR over the debt tenure falling below 1.8 times for the current portfolio (dominated majorly by toll assets), could trigger a rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Infrastructure Investment Trusts (InvITs) Rating Methodology for BOT (Annuity) Roads Rating Methodology for BOT (Toll) Roads
Parent/Group Support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial statements of the issuer (list of SPVs consolidated with IndInfravit are in Annexure)

About the issuer

IndInfravit was established by L&T Infrastructure Development Projects Limited on March 7, 2018, as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on March 15, 2018.

IndInfravit's initial portfolio of assets comprises five operational BOT toll road projects with a cumulative length of 2,654 lane kms. These projects were transferred to the InvIT from L&T IDPL on May 4, 2018. These projects are operated and maintained pursuant to the concessions granted by the NHAI and are located in four different states. L&T IDPL is the sponsor of the InvIT.

In July 2019, IndInfravit announced its plans for acquisition of nine SPVs of Sadbhav Infrastructure Project Limited (SIPL) and Sadbhav Engineering Limited (SEL). The portfolio comprises seven toll road assets and two annuity road assets having a cumulative length of 2,619 lane kms. The Trust acquired eight of the nine SPVs. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Krishnagiri Thopur Toll Road Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Krishnagiri Walajapet Tollway Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Western Andhra Tollways Pvt Limited	BOT Toll road project	NHAI	Andhra Pradesh
Beawar Pali Pindwara Tollway Pvt Limited	BOT Toll road project	NHAI	Rajasthan
Devihalli Hassan Tollway Pvt Limited	BOT Toll road project	NHAI	Karnataka
Aurangabad Jalna Tollway Pvt Limited	BOT Toll road project	PWD [^]	Maharashtra
Bhilwara-Rajsamand Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Bijapur Hungund Tollway Private Limited	BOT Toll road project	NHAI	Karnataka
Dhule Palesner Tollway Pvt Limited	BOT Toll road project	NHAI	Maharashtra
Hyderabad-Yadgiri Tollway Private Limited	BOT Toll road project	NHAI	Telangana
Shreenathji-Udaipur Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Nagpur Seoni Express Way Pvt Limited	BOT Annuity road project	NHAI	Maharashtra/ Madhya Pradesh
Mysore Bellary Highway Private Limited	BOT Annuity road project	KSHIP [^]	Karnataka/ Andhra Pradesh

[^] KSHIP – Karnataka State Highways Improvement Project, PWD – Public Works Department

The fund (unit capital) raising in IndInfravit was done through private placement mode, though the Trust is listed on both the National Stock Exchange and the Bombay Stock Exchange since May 9, 2018. The key investors of the InvIT include the Canada Pension Plan Investment Board (CPPIB), Allianz Capital Partners (ACP) and OMERS Infrastructure Asia Holdings Pte. Ltd. The sponsor and anchor investors also participated in the fund raising done for the acquisition of the Sadbhav portfolio.

The Trust is currently in advanced stages of completing the acquisition of five operational assets from Brookfield. The portfolio comprises three toll road assets and two annuity projects having a cumulative length of 514.9 km. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Gorakhpur Infrastructure Company Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Annuity road project	NHAI	Uttar Pradesh
Kosi Bridge Infrastructure Company Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Annuity road project	NHAI	Bihar
Mumbai Nashik Expressway Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Maharashtra
Simhapuri Expressway Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Andhra Pradesh
Rayalaseema Expressway Private Limited	BOT Toll road project	NHAI	Andhra Pradesh

Key financial indicators (audited)

IndInfravit Consolidated	FY2021	FY2022	FY2023
Operating income (Rs. crore)	1490.5	1666.3	1969.6
PAT (Rs. crore)	-470.1	-524.1	-400.6
OPBDIT/OI (%)	65.1%	64.3%	67.7%
PAT/OI (%)	-31.5%	-31.5%	-20.3%
Total outside liabilities/Tangible net worth (times)	1.8	2.3	2.8
Total debt/OPBDIT (times)	4.3	3.8	3.0
Interest coverage (times)*	1.1	1.1	1.4

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; Source: IndInfravit

*Interest coverage stands at 2.1 times for FY2021, 2.3 times for FY2022 and 2.8 times for FY2023 after adjusting for non-cash expenses such as Unwinding of discount and implicit interest expense on fair value

Status of non-cooperation with previous CRA: Not applicable

Any other information:

Cash flow pooling: For arriving at the rating, ICRA has taken into account the consolidated free cash flows from the underlying SPVs on account of the pooling benefit at the SPVs and the Trust level. The SPVs have been considered as a single pool. ICRA has applied its rating methodologies as mentioned under the section on analytical approach.

The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Instrument		Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2023 (Rs. crore)	Current Rating (FY2024)	Chronology of Rating History for the Past 3 Years							
					Date & Rating in FY2024	Date & Rating in FY2023				Date & Rating in FY2022			Date & Rating in FY2021
					May 24, 2023	Mar 21, 2023	Mar 02, 2023	Jun 24, 2022	Dec 31, 2021	June 25, 2021	May 18, 2021	Apr 26, 2021	Apr 3, 2020
1	NCD	Long-term	475.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)
2	NCD	Long-term	900.0	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
3	Commercial paper programme	Short-term	4,300.0	-	[ICRA]A1+	-	-	-	-	-	-	-	-
4	Fund-based TL	Long-term	1,385.0	3,999.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-
5	Fund-based TL	Long-term	2,716.0		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
6	Fund-based TL*	Long-term	3,300.0	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
7	Unallocated limits	Long-term	534.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
8	NCD	Long-term	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
9	NCD	Long-term	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-	-
10	Issuer rating	Long-term	-	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)

* yet to be raised and hence the amount outstanding details are not available

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCDs	Simple
Commercial paper programme	Very Simple
Fund-based – Term loan	Simple
Unallocated limits	Not Applicable
Issuer rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	NCD Programme [^]	NA	NA	NA	1,375.00	[ICRA]AAA (Stable)
NA	Commercial Paper Programme [#]	NA	NA	NA	4,300.0	[ICRA]A1+
NA	Long Term - Fund Based TL	May 2018/ April 2021	NA	March 2038	1385.00	[ICRA]AAA (Stable)
NA	Long Term - Fund Based TL	April 2021/ March 2023	NA	March 2038/ September 2040	2716.00	[ICRA]AAA (Stable)
NA	Long Term - Fund Based TL [@]	July 2022/ September 2022	NA	March 2040	3,300.0	[ICRA]AAA (Stable)
NA	Long Term - Unallocated Limits [@]	NA	NA	NA	534.00	[ICRA]AAA (Stable)
NA	Issuer rating	NA	NA	NA	-	[ICRA]AAA (Stable)

[^] yet to be placed and hence the applicable instrument details are not available;

[#] yet to be raised and hence the applicable instrument details are not available

[@] yet to be raised and hence the applicable instrument details are not available

Source: IndInfravit Trust

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Beneficial Ownership	Consolidation Approach
Krishnagiri Thopur Toll Road Pvt Limited	100.00%	Full Consolidation
Krishnagiri Walajapet Tollway Pvt Limited	100.00%	Full Consolidation
Western Andhra Tollways Pvt Limited	100.00%	Full Consolidation
Beawar Pali Pindwara Tollway Pvt Limited	100.00%	Full Consolidation
Devihalli Hassan Tollway Pvt Limited	100.00%	Full Consolidation
Aurangabad Jalna Tollway Pvt Limited	100.00%	Full Consolidation
Bhilwara-Rajsamand Tollway Private Limited	100.00%	Full Consolidation
Bijapur Hungund Tollway Private Limited	100.00%	Full Consolidation
Dhule Palesner Tollway Pvt Limited	100.00%	Full Consolidation
Hyderabad-Yadgiri Tollway Private Limited	100.00%	Full Consolidation
Shreenathji-Udaipur Tollway Private Limited	100.00%	Full Consolidation
Nagpur Seoni Express Way Pvt Limited	100.00%	Full Consolidation
Mysore Bellary Highway Private Limited	100.00%	Full Consolidation
Gorakhpur Infrastructure Company Private Limited*	100.00%	Full Consolidation
Kosi Bridge Infrastructure Company Private Limited*	100.00%	Full Consolidation
Mumbai Nashik Expressway Private Limited*	100.00%	Full Consolidation
Simhapuri Expressway Limited*	100.00%	Full Consolidation
Rayalaseema Expressway Private Limited*	100.00%	Full Consolidation

Source: IndInfravit Trust

Krishnagiri Thopur Toll Road Pvt Limited (KTTP), Krishnagiri Walajapet Tollway Pvt Limited (KWTPL), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), Gorakhpur Infrastructure Company Private Limited (GICPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL), Mumbai Nashik Expressway Private Limited (MNEPL), Simhapuri Expressway Limited (SEL) and Rayalaseema Expressway Private Limited (REPL)

* The target assets are yet to be acquired. Nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

ANALYST CONTACTS

Rajeshwar Burla
+91 40 4547 4243
rajeshwar.burla@icraindia.com

Ashish Modani
+91 22 6606 9912
ashish.modani@icraindia.com

Vinay Kumar G
+91 40 4547 4225
vinay.g@icraindia.com

M Rajashekar Reddy
+91 40 4547 4224
m.rajashekarreddy@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

India Ratings Assigns IndInfravit Trust 'IND AAA'/Stable and its CPs 'IND A1+'

May 24, 2023 | Road Assets–Toll | Annuity | Hybrid-Annuity

India Ratings and Research (Ind-Ra) has assigned IndInfravit Trust (IndInfravit) a Long-Term Issuer Rating of 'IND AAA' with a Stable Outlook. The instrument-wise rating action is as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating	Rating Action
Commercial papers (CPs)	-	-	-	INR43,000.0	IND A1+	Assigned

Analytical Approach: IndInfravit is an infrastructure investment trust (InvIT) sponsored by L&T Infrastructure Development Projects Limited (sponsor, L&T IDPL) for holding its operational road assets in India. The InvIT houses 13 road assets with an aggregate length of 5,400 lane km spread across six states. For the rating purpose, Ind-Ra has taken a consolidated view of the cash flows of 13 special purpose vehicles (SPVs) under L&T IDPL having full cashflow fungibility (except Nagpur Seoni Expressway Private Limited (NSEPL, 'IND AAA'/Stable), where surplus cashflows are available post the external debt servicing). As per the InvIT regulations, the trust has appointed IDBI Trusteeship Services Limited as the trustee, LTIDPL IndvIT Services Limited as the investment manager and IndInfravit Project Managers Private Limited (IPMPL) as the project manager (PM).

IndInfravit is acquiring a portfolio of five operational road assets from the funds owned by Brookfield Asset Management (Brookfield) which the management expects to be concluded for four projects in June 2023 and for the balance by 2QFY24. The estimated enterprise value of Brookfield portfolio is INR90 billion. The acquisition is proposed to be funded through raising a long-term debt of INR46.75 billion and the balance through the equity raised via the issuance of InvIT units. The proposed CPs will act as a bridge loan and would be completely redeemed through a preferential issue to Canadian Pension Plan Investment Board (CPPIB) and Ontario Municipal Employees Retirement System (OMERS) as applicable. The CP disbursement would be subject to the receipt of preferential issue amount in the InvIT escrow account and subsequent allotment and listing of InvIT units.

The rating factors in IndInfravit's well-diversified project portfolio with a long operational history, pooling of cash flows from all projects, comfortable debt service coverage ratios (DSCRs) and robust debt structural features. The InvIT's cash flows show considerable resilience to stress cases, reflecting cushion for the timely debt servicing in potential downside scenarios. The cash flows from the project assets, in the form of dividend, interest and repayment on the InvIT's debt, will flow to the InvIT and the net cash generated by the InvIT is distributed to investors. As per the Securities and Exchange Board of India's (SEBI) InvIT norms, the InvIT will have to limit external debt to 70% of its valuation though the financing agreement stipulates a net debt cap of 60%. The presence of one quarter debt service reserve (DSRA) in form of a bank guarantee along with major maintenance reserve (MMR) and DSCR-linked cash trap provisions provides liquidity cushion.

These strengths are partially offset by the risk emanating from the upcoming alternate routes or the mode of transportation that would impact the revenue and the coverages. The DSCR will remain susceptible to volatility in interest rates and operation and maintenance (O&M) costs.

The rating assigned by Ind-Ra is not a comment on IndInfravit's ability to meet distribution/dividend payouts to unitholders/investors, and neither should it be construed as a comment on the debt servicing ability of the individual assets or SPVs held by the trust.

Key Rating Drivers

Benefit of Cash Fungibility and Regulatory Cap on Consolidated Debt for InvITs: The pooled structure of the InvIT results in the availability of full cash flows fungibility for 12 SPVs that do not have any external debt and surplus cashflow of one SPV having external debt (debt equivalent to 1% of the InvIT debt). The portfolio assets have National Highway Authority of India (NHAI, IND AAA/Stable) as the concessioning authority for 11 SPVs with state concession for the balance two projects.

IndInfravit has an established track record of the transfer of surplus cash from the SPVs to InvIT and subsequent distributions to unitholders. Ind-Ra also considers the InvIT's strong financial risk profile with a projected average DSCR of over 1.70x for existing assets as per Ind-Ra base case and the leverage of around 43.97% as on 31 March 2023. The average DSCR for Ind-Ra's consolidated base case for both existing assets and Brookfield portfolio assets is robust at 1.80x with expected leverage of about 50% as per management.

The rating draws comfort from SEBI's Infrastructure Investment Trust) Regulations, 2014 that restrict consolidated borrowings and deferred premium payments for the InvIT and SPVs, thereby restricting the leverage that can be undertaken by the trust.

Healthy Track Record of Operational Assets with Geographical Diversification: The portfolio comprising 13 road projects in different states benefits from the asset and geographical diversification. The projects are located across Maharashtra, Telangana, Tamil Nadu, Rajasthan, Madhya Pradesh and Karnataka minimising the impact of any one-time event-related risks at isolated locations to an extent. The toll road projects have an average operational track record of 10 years, while the annuity projects have a track record of six years and 13 years. No assets contribute more than 25% to the overall toll revenues generated by the InvIT, thus mitigating any concentration risk.

The 11 toll assets recorded revenue of INR20,106 million in FY23 (FY22: INR16,769 million). The daily toll collections recovered swiftly from the impact of the COVID-19 wave in 1QFY21 and FY22, and the average daily collections grew 19.3% yoy to INR54.79 million in FY23. The growth was mainly driven by a significant increase in the toll rates on account of high Wholesale Price Index (WPI), improved traffic after the easing of the lockdown restrictions and lower base of FY22. A major portion (more than 90%) of the toll collections is coming through FASTag-based electronic collections. NSEPL and MBHPL received annuities from NHAI and Karnataka State Highways Improvement Project (KSHIP), respectively, in a timely manner and without any major deductions.

The historical traffic trends in the project stretches show a healthy mix of commercial and passenger traffic. Furthermore, the traffic dynamics for each project are special and driven by multiple factors, including local and long-distance traffic. In addition, commodities carried across the projects vary depending on stretch-specific factors. Ind-Ra's base case analysis factors in assumptions for moderate traffic growth rates and diversion in traffic, due to new roads coming up over the next few years. The growth in toll revenue factors in annual toll rate revisions being 100% linked to WPI for Krishnagiri Thopur Toll Road Pvt Ltd (KTTP), Western Andhra Tollway Pvt Ltd (WATL), 18% escalation every three years for Aurangabad Jalna Tollway Ltd. (AJTL) and fixed at 3% and linked to 40% of the WPI for other toll road assets. As a result, the projects are likely to witness a toll rate escalation of around 4.5% and

Ind-Ra expects revenue growth of 6%-9% yoy in FY24.

The risk stemming from the considerable exposure to the toll projects and possible diversion is addressed by the long operational history and geographical diversification of the portfolio projects, strong coverage ratios, and healthy project life coverage ratio, considering a long tail period and internal liquidity buffers.

Robust Debt Protection Features: IndInfravit had a rupee term loan outstanding of INR39,990 million as on 31 March 2023. The debt is long-term in nature, and will be amortised over 17 years ending in FY41, with the interest being linked to the marginal cost of lending rate of the lender(s) and repo rate for one lender. This exposes the trust to volatility in interest rates, although the cushion in the cash flow will partially help absorb the impact of such fluctuations. The term loan will have a healthy tail period of five years (average across four projects), considering that the concession period of certain road assets is likely to expire in FY50.

The CP proposed to be raised by InvIT for the acquisition of Brookfield Portfolio would be repaid at the end of CP tenor through the proceeds of a preferential issue to be raised from CPPIB and OMERS as applicable. The management has confirmed the availability of funds through the preferential issue and allotment of InvIT units prior to issuance of the CPs.

The debt terms also require adequate liquidity cushion in the form of a three-month DSRA and MMR for the next three months equivalent MM expenses, which have already been created. The debt structure includes a number of debt protection features, including a cash trap when the DSCR breaches 1.25x for the trailing 12 months, and a requirement for the InvIT to limit external debt to 60% of its valuation. Any transfer to the distribution account will be made only after meeting external debt obligations of InvIT and at the SPV level, DSRA and MMR requirement. Ind-Ra considers the strong coverage ratios, the DSCR-linked cash traps and the adequate liquidity cover to provide some debt protection against temporary stresses.

The refinancing risk of the project, stemming from the presence of a put option spread across multiple years and across different RTL facilities, is mitigated by the presence of strong coverages and healthy revenue visibility, given the strong track record of toll collections and the presence of the reputed sponsor.

Liquidity Indicator - Adequate: Ind-Ra expects IndInfravit to generate healthy surplus cash flows annually, given the strong average DSCR of over 1.70x over the debt tenor. These coverages are resilient to the stress applied on the toll revenues, operating costs and interest expenses. IndInfravit has maintained a DSR equivalent to one quarter of debt service in the form of a bank guarantee to meet any contingencies throughout the debt term. Additionally, MMR to meet the next three months MM requirement is maintained. The liquidity is also supported by the provision for trapping of cash if the DSCR falls below 1.25x for the trailing 12 months, checked on a quarterly basis. This cash will not be distributed to unitholders until the DSCR is restored to 1.25x for the next quarter. Ind-Ra takes comfort from the sufficient liquidity maintained at InvIT as well as SPV level as seen in the past with no distribution made during peak of COVID-19, thus providing comfort in the event of any untoward requirement. The CPs would have adequate liquidity back-up from the funds available through the preferential allotment prior to the issuance.

Low Operational Risk: The PM will undertake the operations and management of the projects. The PM is a 100% subsidiary of IndInfravit and will manage the assets held by InvIT. The PM, which will consist of a team of professionals from IndInfravit, does the planning and procurement of key materials in-house and appoints O&M contractors for routine maintenance, tolling and MM activities; they would work under the supervision of the PM.

The MM estimates as per the third-party technical consultant for FY22 and FY23 was INR3,500 million each, however, the actual cost incurred by IndInfravit towards MM was INR1,780 million in FY22 and INR2,500 million in FY23. The estimated savings in MM during FY22 and FY23 are majorly due to the lower-than-expected requirement for carrying out MM, considering the actual required based on the traffic plying on the project corridor, quality of road, economies of scale, reduced cost of raw material compared to the estimates by Third Party Technical Consultant. The O&M costs assumed in all the projects are in line with the average costs reported by Ind-Ra-rated

peers. The road quality and project-level operating expenses remaining in line with Ind-Ra's assumptions will be a key rating monitorable. Ind-Ra has factored in the strong track record of IndInfravit and its maintenance strategy across the portfolio.

Acquisitions Remain Key: InvIT aims to scale up its portfolio in FY24 by acquiring the Brookfield portfolio. Although the SEBI InvIT regulations 2014 allow the trust to obtain a pre-commercial operation date, it intends to acquire revenue-generating assets based on yield thresholds, traffic characteristics and geographic diversity, among others. The strength of the acquisitions and funding pattern will determine the credit strength of InvIT. The investment manager will assess the potential acquisitions and propose the same to the unitholders for their approval. The agency will evaluate all acquisitions, which will be a key rating monitorable.

Rating Sensitivities

Negative: Future developments that could, individually or collectively, lead to a negative rating action are:

- inadequate visibility on redemption of CPs;
- lower-than-expected toll revenue by more than 10% or higher-than-envisaged cost, on a sustained basis, leading to the average DSCR falling below 1.60x'
- a steep decline in the DSCR due to any acquisition of weaker assets or an adverse funding pattern; and
- inadequate visibility for refinancing the bullet maturities considering presence of put option.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on IndInfravit, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please [click here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please [click here](#).

Company Profile

IndInfravit was established by L&T IDPL on 7 March 2018, as an irrevocable trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on 15 March 2018. The trust has been listed on the National Stock Exchange Ltd and the BSE Ltd since 9 May 2018. The fund raising was done through a private placement. The trust was set up by L&T IDPL as the sponsor and is backed by global investors – Canada Pension Plan (CPP Investments), Allianz Capital Partners and OMERS as significant unitholders in the trust.

IndInfravit has a portfolio of 13 road assets (comprising of 11 BOT-Toll and two annuity projects) across six states and a network of around 5,400 lane km. The trust's initial portfolio of assets comprised five toll road projects across Rajasthan, Karnataka, Tamil Nadu and Telangana acquired from L&T IDPL. Subsequently, the trust acquired another eight road assets in the states of Rajasthan, Karnataka, Telangana and Maharashtra from Sadbhav Infrastructure Project Limited ('IND C') and Sadbhav Engineering Limited ('IND D'). Out of these eight projects, six are NHAI projects and two are state projects. IndInfravit is in the process of acquiring five more operational road assets (comprising of three BOT-Toll and two NHAI annuity projects) from Brookfield with a cumulative length of 2,426 lane km. The projects are spread across Andhra Pradesh, Bihar, Uttar Pradesh and Maharashtra and four assets are likely to be added to IndInfravit in 1QFY24 and balance by 2QFY24.

FINANCIAL SUMMARY

Particulars	FY22	FY23
Operating income (INR million)	16,663	19,696
EBITDA (INR million)	10,721	13,324
EBITDA margin (%)	64	68
Profit after tax (INR million)	-5,241	-4,055
PAT margin (%)	-31	-21
Total debt (INR million)	40,291	39,758
Total debt/EBITDA (x)	3.76	2.98
Interest coverage (x)	2.29	3.75
Source: Audited Financials of Trust		

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Bank wise Facilities Details

[Click here to see the details](#)

Complexity Level of Instruments

Instrument Type	Complexity Indicator
CPs	Low

For details on the complexity level of the instrument, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

Primary Analyst

Rishabh Jain

Senior Analyst

India Ratings and Research Pvt Ltd

Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai - 400051

+91 22 40356167

For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst

Nidhi Doshi

Senior Analyst

Chairperson

Prashant Tarwadi

Director

+91 22 40001772

Media Relation

Ameya Bodkhe

Marketing Manager

+91 22 40356121

APPLICABLE CRITERIA

Rating Approach for Consolidation of Cash Flow of Infra Projects**Rating Criteria for Infrastructure and Project Finance****Rating Criteria for Availability-Based Projects****Evaluating Corporate Governance****The Rating Process****Short-Term Ratings Criteria for Non-Financial Corporates****DISCLAIMER**

All credit ratings assigned by india ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.indiaratings.co.in/rating-definitions>. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site.

July 13, 2023

IndInfravit Trust: Rating withdrawn for commercial paper programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme	475.00	1,375.00	[ICRA]AAA(Stable); Outstanding
NCD programme	900.00	-	[ICRA]AAA(Stable); Outstanding
Commercial paper programme^	4,300.00	-	[ICRA]A1+; Withdrawn
Fund-based bank facilities - Term loan	3,300.00	3,300.00	[ICRA]AAA(Stable); Outstanding
Fund-based bank facilities - Term loan	1,385.00	1,385.00	[ICRA]AAA(Stable); Outstanding
Fund-based bank facilities - Term loan	2,716.00	2,716.00	[ICRA]AAA(Stable); Outstanding
Unallocated limits^^	534.00	534.00	[ICRA]AAA(Stable); Outstanding
Issuer rating	-	-	[ICRA]AAA(Stable); Outstanding
Total	13,610.00	9,310.00	

*Instrument details are provided in Annexure-I

^^ The unallocated limits are interchangeable between NCDs and long-term bank facilities

Rationale

ICRA has withdrawn the rating assigned to the Commercial paper (CP) of Rs. 4,300 crore of IndInfravit Trust. The rating has been withdrawn based on the withdrawal request and redemption certificate provided by the trust, in line with ICRA's withdrawal policy.

IndInfravit Trust has initially planned to raise around Rs. 4,300 crore of CPs, however, of which the trust as per its bridge financing requirements had raised only Rs. 3,282 crore of commercial papers, out of the Rs. 4,300 crore of CPs rated by ICRA. The trust has completed the acquisition of Simhapuri Expressway Limited (rated [ICRA]AA- (On rating watch with developing implications), Rayalseema Expressway Private Limited, Mumbai Nashik Expressway Private Limited (rated [ICRA]AA- (On rating watch with developing implications) and Kosi Bridge Infrastructure Company Private Limited (rated [ICRA]AA- (On rating watch with developing implications) on June 15, 2023. Post the completion of acquisition of four assets, IndInfravit Trust has redeemed all the CPs raised of Rs. 3,282 crore on its maturity/redemption date dated June 20, 2023.

ICRA's rating for the remaining facilities will be outstanding and the key rating drivers, liquidity position, rating sensitivities are available in the detailed rating rationale available at the following: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Infrastructure Investment Trusts (InvITs) Rating Methodology for BOT (Annuity) Roads Rating Methodology for BOT (Toll) Roads Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial statements of the issuer (list of SPVs consolidated with IndInfravit are in Annexure)

About the issuer

IndInfravit was established by L&T Infrastructure Development Projects Limited (L&T IDPL) on March 7, 2018, as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on March 15, 2018.

IndInfravit's initial portfolio of assets comprises five operational BOT toll road projects with a cumulative length of 2,654 lane kms. These projects were transferred to the InvIT from L&T IDPL on May 4, 2018. These projects are operated and maintained pursuant to the concessions granted by the NHAI and are located in four different states. L&T IDPL is the sponsor of the InvIT.

In July 2019, IndInfravit announced its plans for acquisition of nine SPVs of Sadbhav Infrastructure Project Limited (SIPL) and Sadbhav Engineering Limited (SEL). The portfolio comprises seven toll road assets and two annuity road assets having a cumulative length of 2,619 lane kms. The Trust acquired eight of the nine SPVs. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Krishnagiri Thopur Toll Road Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Krishnagiri Walajapet Tollway Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Western Andhra Tollways Pvt Limited	BOT Toll road project	NHAI	Andhra Pradesh
Beawar Pali Pindwara Tollway Pvt Limited	BOT Toll road project	NHAI	Rajasthan
Devihalli Hassan Tollway Pvt Limited	BOT Toll road project	NHAI	Karnataka
Aurangabad Jalna Tollway Pvt Limited	BOT Toll road project	PWD [^]	Maharashtra
Bhilwara-Rajsamand Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Bijapur Hungund Tollway Private Limited	BOT Toll road project	NHAI	Karnataka
Dhule Palesner Tollway Pvt Limited	BOT Toll road project	NHAI	Maharashtra
Hyderabad-Yadgiri Tollway Private Limited	BOT Toll road project	NHAI	Telangana
Shreenathji-Udaipur Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Nagpur Seoni Express Way Pvt Limited	BOT Annuity road project	NHAI	Maharashtra/ Madhya Pradesh
Mysore Bellary Highway Private Limited	BOT Annuity road project	KSHIP [^]	Karnataka/ Andhra Pradesh

[^] KSHIP – Karnataka State Highways Improvement Project, PWD – Public Works Department

The fund (unit capital) raising in IndInfravit was done through private placement mode, though the Trust is listed on both the National Stock Exchange and the Bombay Stock Exchange since May 9, 2018. The key investors of the InvIT include the Canada Pension Plan Investment Board (CPPIB), Allianz Capital Partners (ACP) and OMERS Infrastructure Asia Holdings Pte. Ltd. The sponsor and anchor investors also participated in the fund raising done for the acquisition of the Sadbhav portfolio.

In June 2023, the Trust completed acquisition of four operational assets from Brookfield and is currently in advanced stages of completing the acquisition of another asset from Brookfield. The portfolio comprises three toll road assets and two annuity projects having a cumulative length of 514.9 km. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Kosi Bridge Infrastructure Company Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Annuity road project	NHAI	Bihar
Mumbai Nashik Expressway Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Maharashtra
Simhapuri Expressway Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Andhra Pradesh
Rayalaseema Expressway Private Limited	BOT Toll road project	NHAI	Andhra Pradesh
Gorakhpur Infrastructure Company Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]*	BOT Annuity road project	NHAI	Uttar Pradesh

* Yet to be acquired

Key financial indicators (audited)

IndInfravit Consolidated	FY2021	FY2022	FY2023
Operating income (Rs. crore)	1490.5	1666.3	1969.6
PAT (Rs. crore)	-470.1	-524.1	-400.6
OPBDIT/OI (%)	65.1%	64.3%	67.7%
PAT/OI (%)	-31.5%	-31.5%	-20.3%
Total outside liabilities/Tangible net worth (times)	1.8	2.3	2.8
Total debt/OPBDIT (times)	4.3	3.8	3.0
Interest coverage (times)*	1.1	1.1	1.4

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; Source: IndInfravit Trust

*Interest coverage stands at 2.1 times for FY2021, 2.3 times for FY2022 and 2.8 times for FY2023 after adjusting for non-cash expenses such as Unwinding of discount and implicit interest expense on fair value

Status of non-cooperation with previous CRA: Not applicable

Any other information:

Cash flow pooling: For arriving at the rating, ICRA has taken into account the consolidated free cash flows from the underlying SPVs on account of the pooling benefit at the SPVs and the Trust level. The SPVs have been considered as a single pool. ICRA has applied its rating methodologies as mentioned under the section on analytical approach.

The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Instrument		Current Rating (FY2024)			Chronology of Rating History for the Past 3 Years													
					Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2023 (Rs. crore)	Date & Rating in FY2024		Date & Rating in FY2023				Date & Rating in FY2022				Date & Rating in FY2021
								Jul 13, 2023	May 24, 2023	Mar 21,2023	Mar 02,2023	Jun 24, 2022	Dec 31, 2021	June 25, 2021	May 18, 2021	Apr 26, 2021	Apr 3, 2020	
1	NCD	Long-term	1,375.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)				
2	NCD	Long-term	-	-	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-				
3	Commercial paper programme	Short-term	4300.0	-	[ICRA]A1+; Withdrawn	[ICRA]A1+	-	-	-	-	-	-	-	-				
4	Fund-based TL	Long-term	1,385.0	3,999.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-				
5	Fund-based TL	Long-term	2,716.0		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-				
6	Fund-based TL	Long-term	3,300.0	0.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-				
7	Unallocated limits	Long-term	534.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-				
8	NCD	Long-term	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)				
9	NCD	Long-term	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-	-				
10	Issuer rating	Long-term	-	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)				

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCDs	Simple
Commercial paper programme	Very Simple
Fund-based – Term loan	Simple
Unallocated limits	Not Applicable
Issuer rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE790Z07053	NCD Programme	June 2023	NA	March 2040	1,375.00	[ICRA]AAA (Stable)
INE790Z14018	Commercial Paper Programme	NA	NA	NA	4,300.0	[ICRA]A1+; Withdrawn
NA	Long Term - Fund Based TL	May 2018/ April 2021	NA	March 2038	1385.00	[ICRA]AAA (Stable);
NA	Long Term - Fund Based TL	April 2021/ March 2023	NA	March 2038/ September 2040	2716.00	[ICRA]AAA (Stable);
NA	Long Term - Fund Based TL	July 2022/ September 2022	NA	March 2040	3,300.0	[ICRA]AAA (Stable);
NA	Long Term - Unallocated Limits	NA	NA	NA	534.00	[ICRA]AAA (Stable);
NA	Issuer rating	NA	NA	NA	-	[ICRA]AAA (Stable);

Source: IndInfravit Trust

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Beneficial Ownership	Consolidation Approach
Krishnagiri Thopur Toll Road Pvt Limited	100.00%	Full Consolidation
Krishnagiri Walajapet Tollway Pvt Limited	100.00%	Full Consolidation
Western Andhra Tollways Pvt Limited	100.00%	Full Consolidation
Beawar Pali Pindwara Tollway Pvt Limited	100.00%	Full Consolidation
Devihalli Hassan Tollway Pvt Limited	100.00%	Full Consolidation
Aurangabad Jalna Tollway Pvt Limited	100.00%	Full Consolidation
Bhilwara-Rajsamand Tollway Private Limited	100.00%	Full Consolidation
Bijapur Hungund Tollway Private Limited	100.00%	Full Consolidation
Dhule Palesner Tollway Pvt Limited	100.00%	Full Consolidation
Hyderabad-Yadgiri Tollway Private Limited	100.00%	Full Consolidation
Shreenathji-Udaipur Tollway Private Limited	100.00%	Full Consolidation
Nagpur Seoni Express Way Pvt Limited	100.00%	Full Consolidation
Mysore Bellary Highway Private Limited	100.00%	Full Consolidation
Kosi Bridge Infrastructure Company Private Limited [@]	100.00%	Full Consolidation
Mumbai Nashik Expressway Private Limited [@]	100.00%	Full Consolidation
Simhapuri Expressway Limited [@]	100.00%	Full Consolidation
Rayalaseema Expressway Private Limited [@]	100.00%	Full Consolidation
Gorakhpur Infrastructure Company Private Limited ^{*@}	100.00%	Full Consolidation

Source: IndInfravit Trust

Krishnagiri Thopur Toll Road Pvt Limited (KTTP), Krishnagiri Walajapet Tollway Pvt Limited (KWTP), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), Gorakhpur Infrastructure Company Private Limited (GICPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL), Mumbai Nashik Expressway Private Limited (MNEPL), Simhapuri Expressway Limited (SEL) and Rayalaseema Expressway Private Limited (REPL)

* The target asset is yet to be acquired.

@Nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

ANALYST CONTACTS

Rajeshwar Burla
+91 40 4547 4829
rajeshwar.burla@icraindia.com

Ashish Modani
+91 20 6606 9912
ashish.modani@icraindia.com

Vinay Kumar G
+91 40 4547 4829
vinay.g@icraindia.com

M Rajashekar Reddy
+91 40 4547 4829
m.rajashekarreddy@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

India Ratings Affirms IndInfravit Trust 'IND AAA'/Stable and Withdraws CP Rating

Jul 17, 2023 | Road Assets–Toll | Annuity | Hybrid-Annuity

India Ratings and Research (Ind-Ra) has affirmed IndInfravit Trust's (IndInfravit) Long-Term Issuer Rating at 'IND AAA' with a Stable Outlook. The instrument-wise rating action is as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating	Rating Action
Commercial papers (CPs)	-	-	20 June 2023	INR43,000.0	WD	Withdrawn

Ind-Ra has withdrawn the rating assigned to the CP of INR43,000 million as the instrument has been repaid. Ind-Ra has received the withdrawal request and redemption certificate provided by IndInfravit, in line with Ind-Ra's withdrawal policy.

Analytical Approach: IndInfravit is an infrastructure investment trust (InvIT) sponsored by L&T Infrastructure Development Projects Limited (sponsor; L&T IDPL) for holding its operational road assets in India. The InvIT houses 17 road assets with an aggregate length of 7,698 lane km spread across eight states (including the recent acquisition of Brookfield Asset Management (Brookfield) portfolio, of which Gorakhpur Infrastructure Company Limited (GICL) project is proposed to be acquired in 2QFY24 post receipt of necessary regulatory approvals). For the rating purpose, Ind-Ra has taken a consolidated view of the cash flows of 17 special purpose vehicles (SPVs) under IndInfravit having full cashflow fungibility (except Nagpur Seoni Expressway Private Limited (NSEPL, debt rated at 'IND AAA'/Stable), where surplus cashflows are available post the external debt servicing). As per the InvIT regulations, the trust has appointed IDBI Trusteeship Services Limited as the trustee, LTIDPL IndvIT Services Limited as the investment manager and IndInfravit Project Managers Private Limited (IPMPL) as the project manager (PM).

IndInfravit acquired a portfolio of four of the five operational road assets from the funds owned by Brookfield for an enterprise value of around INR83 billion in June 2023 while the fifth project is likely to be acquired in 2QFY24, which will be funded through an undrawn debt of INR2.60 billion. The requisite debt service reserve account (DSRA) and major maintenance reserve (MMR) have also been created. The acquisition is funded through a preferential issue of INR42.62 billion to Canadian Pension Plan Investment Board (CPPIB) and Ontario Municipal Employees Retirement System (OMERS) and the balance through debt.

The rating factors in IndInfravit's well-diversified project portfolio with a long operational history, pooling of cash flows from all projects, comfortable debt service coverage ratios (DSCRs) and robust debt structural features. The InvIT's cash flows show considerable resilience to stress cases, reflecting cushion for the timely debt servicing in potential downside scenarios. The cash flows from the project assets, in the form of dividend, interest and repayment on the InvIT's debt, will flow to the InvIT and the net cash generated by the InvIT is distributed to investors. As per the Securities and Exchange

Board of India's (SEBI) InvIT norms, the InvIT will have to limit external debt to 70% of its valuation though the financing agreement stipulates a net debt cap of 60%. The presence of one quarter debt service reserve (DSRA) in form of a cash-cum-bank guarantee along with major maintenance reserve (MMR) and DSCR-linked cash trap provisions provides liquidity cushion.

These strengths are partially offset by the risk emanating from the upcoming alternate routes or the mode of transportation that would impact the revenue and the coverages. The DSCR will remain susceptible to volatility in interest rates and operation and maintenance (O&M) costs.

The rating assigned by Ind-Ra is not a comment on IndInfravit's ability to meet distribution/dividend payouts to unitholders/investors, and neither should it be construed as a comment on the debt servicing ability of the individual assets or SPVs held by the trust.

Key Rating Drivers

Benefit of Cash Fungibility and Regulatory Cap on Consolidated Debt for InvITs: The pooled structure of the InvIT results in the availability of full cash flows fungibility for 17 SPVs that do not have any external debt and surplus cashflow of one SPV having external debt (debt equivalent to less than 1% of the InvIT debt). The portfolio assets have National Highway Authority of India (NHAI, IND AAA/Stable) as the concessioning authority for 16 SPVs with state concession for the balance two projects.

IndInfravit has an established track record of the transfer of surplus cash from the SPVs to InvIT and subsequent distributions to unitholders. Ind-Ra also considers the InvIT's strong financial risk profile with a projected average DSCR being robust at 1.80x with a current leverage of less than 50%, as per the management. As per the management, the debt to enterprise value can increase with future acquisitions; however, it has been capped at 60% threshold as per the financing documents.

The rating draws comfort from SEBI's Infrastructure Investment Trust) Regulations, 2014 that restrict consolidated borrowings and deferred premium payments for the InvIT and SPVs, thereby restricting the leverage that can be undertaken by the trust.

Healthy Track Record of Operational Assets with Geographical Diversification: The portfolio comprising 17 road projects in different states benefits from the asset and geographical diversification. The projects are located across Maharashtra, Telangana, Tamil Nadu, Rajasthan, Madhya Pradesh, Bihar, Andhra Pradesh and Karnataka minimising the impact of any one-time event-related risks at isolated locations to an extent. The toll road projects have an average operational track record of 10 years, while the annuity projects have a track record of six years and 13 years. No assets contribute more than 25% to the overall toll revenues generated by the InvIT, thus mitigating any concentration risk.

The existing 11 toll assets recorded revenue of INR20,106 million in FY23 (FY22: INR16,769 million). The daily toll collections recovered swiftly from the impact of the COVID-19 wave in 1QFY21 and FY22, and the average daily collections grew 19.3% yoy to INR54.79 million in FY23. The growth was mainly driven by a significant increase in the toll rates on account of high Wholesale Price Index (WPI), improved traffic after the easing of the lockdown restrictions and lower base of FY22. A major portion (more than 90%) of the toll collections is coming through FASTag-based electronic collections. NSEPL and MBHPL received annuities from NHAI and Karnataka State Highways Improvement Project (KSHIP), respectively, in a timely manner and without any major deductions.

The historical traffic trends in the project stretches show a healthy mix of commercial and passenger traffic. Furthermore, the traffic dynamics for each project are special and driven by multiple factors, including local and long-distance traffic. In addition, commodities carried across the projects vary depending on stretch-specific factors. Ind-Ra's base case analysis factors in assumptions for moderate traffic growth rates and diversion in traffic, due to new roads coming up over the next few years. The growth in toll revenue factors in annual toll rate revisions being 100% linked to WPI for Krishnagiri Thopur Toll Road Pvt Ltd (KTTPPL), Western Andhra Tollway Pvt Ltd (WATL), 18%

escalation every three years for Aurangabad Jalna Tollway Ltd. (AJTL) and fixed at 3% and linked to 40% of the WPI for other toll road assets. As a result, the projects are likely to witness a toll rate escalation of around 4.5% and Ind-Ra expects revenue growth of 6%-9% yoy in FY24.

The risk stemming from the considerable exposure to the toll projects and possible diversion is addressed by the long operational history and geographical diversification of the portfolio projects, strong coverage ratios, and healthy project life coverage ratio, considering a long tail period and internal liquidity buffers.

Robust Debt Protection Features: IndInfravit had a rupee term loan outstanding of INR39,990 million as on 31 March 2023. It availed another debt of INR43,120 million (a combination of a long-term rupee term loan of INR29,370 million and non-convertible debentures of INR13,750 million) to fund the acquisition of Brookfield portfolio. The new RTL and NCDs are long-term in nature, and will be amortised until FY40, with the interest being linked to the marginal cost of lending rate of the lender(s). This exposes the trust to volatility in interest rates, although the cushion in the cash flow will partially help absorb the impact of such fluctuations. The NCDs have a put option at the end of two years and every year thereafter, and a fixed interest rate, thus mitigating the risk of interest rate volatility to an extent. The term loan will have a healthy tail period considering six assets have concession period going beyond FY40.

The debt terms also require adequate liquidity cushion in the form of a three-month DSRA and MMR for the next three months equivalent MM expenses, which have already been created. The debt structure includes a number of debt protection features, including a cash trap when the DSCR breaches 1.25x for the trailing 12 months, and a requirement for the InvIT to limit external debt to 60% of its valuation. Any transfer to the distribution account will be made only after meeting external debt obligations of InvIT and at the SPV level, DSRA and MMR requirement. Ind-Ra considers the strong coverage ratios, the DSCR-linked cash traps and the adequate liquidity cover to provide some debt protection against temporary stresses.

The refinancing risk of the project, stemming from the presence of a put option spread across multiple years and across different RTL and NCDs facilities, is mitigated by the presence of strong coverages and healthy revenue visibility, given the strong track record of toll collections and the presence of the reputed global investors.

Liquidity Indicator - Adequate: Ind-Ra expects IndInfravit to generate healthy surplus cash flows annually, given the strong average DSCR of over 1.80x over the debt tenor. These coverages are resilient to the stress applied on the toll revenues, operating costs and interest expenses. IndInfravit has maintained a DSR equivalent to one quarter of debt service in the form of a bank guarantee and cash to meet any contingencies throughout the debt term. Additionally, MMR to meet the next three months MM requirement is maintained. The liquidity is also supported by the provision for trapping of cash if the DSCR falls below 1.25x for the trailing 12 months, checked on a quarterly basis. This cash will not be distributed to unitholders until the DSCR is restored to 1.25x for the next quarter. Ind-Ra takes comfort from the sufficient liquidity maintained at InvIT as well as SPV level as seen in the past with no distribution made during peak of COVID-19, thus providing comfort in the event of any untoward requirement.

Low Operational Risk: The PM will undertake the operations and management of the projects. The PM is a 100% subsidiary of IndInfravit and will manage the assets held by InvIT. The PM consist of a team of professionals from IndInfravit, does the planning and procurement of key materials in-house and appoints O&M contractors for routine maintenance, tolling and MM activities; they would work under the supervision of the PM.

The MM estimates as per the third-party technical consultant for FY22 and FY23 was INR3,500 million each, however, the actual cost incurred by IndInfravit towards MM was INR1,780 million in FY22 and INR2,500 million in FY23. The estimated savings in MM during FY22 and FY23 are majorly due to the lower-than-expected requirement for carrying out MM, considering the actual required based on the traffic plying on the project corridor, quality of road, economies of scale, reduced cost of raw material compared to the estimates by Third Party Technical Consultant. The O&M costs assumed in all the projects are in line with the average costs reported by Ind-Ra-rated peers. The road quality and project-level operating expenses remaining in line with Ind-Ra's assumptions will be a key rating monitorable. Ind-Ra has factored in the strong track record of IndInfravit and its maintenance strategy across the portfolio.

Acquisitions Remain Key: InvIT has scaled up its portfolio in FY24 by acquiring the Brookfield portfolio. Although the SEBI InvIT regulations 2014 allow the trust to obtain a pre-commercial operation date, it intends to acquire revenue-generating assets based on yield thresholds, traffic characteristics and geographic diversity, among others. The strength of the acquisitions and funding pattern will determine the credit strength of InvIT. The investment manager will assess the potential acquisitions and propose the same to the unitholders for their approval. The agency will evaluate all acquisitions, which will be a key rating monitorable.

Rating Sensitivities

Negative: Future developments that could, individually or collectively, lead to a negative rating action are:

- lower-than-expected toll revenue by more than 10% or higher-than-envisaged cost, on a sustained basis, leading to the average DSCR falling below 1.60x
- a steep decline in the DSCR due to any acquisition of weaker assets or an adverse funding pattern
- inadequate visibility for refinancing the bullet maturities considering presence of put option

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on IndInfravit, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

Company Profile

IndInfravit was established by L&T IDPL on 7 March 2018, as an irrevocable trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on 15 March 2018. The trust has been listed on the National Stock Exchange Ltd and the BSE Ltd since 9 May 2018. The fund raising was done through a private placement. The trust was set up by L&T IDPL as the sponsor and is backed by global investors – Canada Pension Plan (CPP Investments), Allianz Capital Partners and OMERS as significant unitholders in the trust.

IndInfravit has a portfolio of 17 road assets (comprising of 14 BOT-Toll and three annuity projects) across eight states and a network of around 7,698 lane km. The trust's initial portfolio of assets comprised five toll road projects across Rajasthan, Karnataka, Tamil Nadu and Telangana acquired from L&T IDPL. Subsequently, the trust acquired another eight road assets in the states of Rajasthan, Karnataka, Telangana and Maharashtra from Sadbhav Infrastructure Project Limited ([IND C\(ISSUER NOT COOPERATING\)](#)) and Sadbhav Engineering Limited ([IND D\(ISSUER NOT COOPERATING\)](#)). Out of these eight projects, six are NHAI projects and two are state projects. IndInfravit recently acquired four out of five operational road assets (comprising of three BOT-Toll and two NHAI annuity projects) from Brookfield with a cumulative length of 2,426 lane km on 15 June 2023. The projects are spread across Andhra Pradesh, Bihar, Uttar Pradesh and Maharashtra and fifth asset is likely to be added to IndInfravit in 2QFY24 post the **receipt of the necessary regulatory approvals**.

FINANCIAL SUMMARY:

Particulars	FY23	FY22
Operating income (INR million)	19,696	16,663
EBITDA (INR million)	13,324	10,721
EBITDA margin (%)	68	64
Profit after tax (INR million)	-4,055	-5,241

PAT margin (%)	-21	-31
Total debt (INR million)	39,758	40,291
Total debt/EBITDA (x)	2.98	3.76
Interest coverage (x)	3.75	2.29
Source: Audited Financials of the Trust		

Non-Cooperation with previous rating agency

Not applicable

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook
	Rating Type	Rated Limits (million)	Rating/Outlook	24 May 2023
CPs	Short-term	INR43,000	WD	IND A1+
Issuer Rating	Long-term	-	IND AAA/Stable	IND AAA/Stable

Complexity Level of Instruments

Instrument Type	Complexity Indicator
CP	Low

For details on the complexity level of the instrument, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

Primary Analyst

Rishabh Jain

Senior Analyst

India Ratings and Research Pvt Ltd

Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai - 400051

+91 22 40356167

For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst

Nidhi Doshi

Senior Analyst

Chairperson

Vishal Kotecha

Director

+91 22 40356136

Media Relation

Ameya Bodkhe

Marketing Manager

+91 22 40356121

APPLICABLE CRITERIA

Rating Approach for Consolidation of Cash Flow of Infra Projects

Rating Criteria for Infrastructure and Project Finance

Rating Criteria for Availability-Based Projects

Evaluating Corporate Governance

The Rating Process

Short-Term Ratings Criteria for Non-Financial Corporates

DISCLAIMER

All credit ratings assigned by india ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.indiaratings.co.in/rating-definitions>. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site.

September 11, 2023

IndInfravit Trust: Ratings reaffirmed; Short term rating assigned for bank guarantee facility

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme	1,375.00	1,375.00	[ICRA]AAA(Stable); Reaffirmed
Fund-based bank facilities - Term loan	3,300.00	3,300.00	[ICRA]AAA(Stable); Reaffirmed
Fund-based bank facilities - Term loan	1,385.00	1,385.00	[ICRA]AAA(Stable); Reaffirmed
Fund-based bank facilities - Term loan	2,716.00	2,716.00	[ICRA]AAA(Stable); Reaffirmed
Non-Fund based - Bank Guarantee (BG)	0.00	140.00	[ICRA]AAA(Stable)/[ICRA] A1+; Reaffirmed/Assigned
Unallocated limits^	534.00	394.00	[ICRA]AAA(Stable); Reaffirmed
Issuer rating	-	-	[ICRA]AAA(Stable); Reaffirmed
Total	9,310.00	9,310.00	

*Instrument details are provided in Annexure-I

^ The unallocated limits are interchangeable between NCDs and long-term bank facilities

The ratings assigned by ICRA is not a comment on the ability of IndInfravit Trust ("IndInfravit" or "Trust" or "InvIT") to meet distribution/dividend payouts to unitholders/investors, neither should it be construed as a comment on the debt servicing ability of the individual project assets or special purpose vehicles (SPVs) held by the Trust.

ICRA has undertaken the consolidated financial analysis of IndInfravit and 18 SPVs including the existing underlying SPVs — Krishnagiri Thopur Toll Road Pvt Limited (KTTPL), Krishnagiri Walajahpet Tollway Pvt Limited (KWTPL), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), and the five new assets acquired/being acquired currently from Brookfield — Simhapuri Expressway Limited (SEL), Rayalseema Expressway Private Limited (REPL), Mumbai Nashik Expressway Private Limited (MNEPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL) and Gorakhpur Infrastructure Company Private Limited (GICPL). IndInfravit had completed the acquisition of four out of five assets including SEL, REPL, MNEPL and KBICPL from Brookfield in June 2023, and acquisition of GICPL is pending due to receipt of regulatory approvals.

The Trust has full cash flow fungibility for SPVs that do not have any external debt as well as unhindered access to the surplus cash flows of the SPVs that have external debt [NSEWPL is the only SPV which has external debt]. NSEWPL has comfortable debt servicing coverage ratio (DSCR) and significant cushion from the cash trap trigger levels, as defined in its financing agreements, thereby enabling it to upstream its surplus to InvIT. Further, the Trust is in the process of refinancing the entire debt at the target assets with debt raised at InvIT level.

Rationale

The rating action favourably notes IndInfravit's diversified project portfolio (existing and target assets) comprising 14 toll road projects with an average toll collection track record of around ten years and four annuity road projects with an average operational track record of more than 10 years. The ratings consider IndInfravit's healthy financial risk profile with strong debt coverage metrics with an average DSCR of more than 1.8 times as per ICRA's base case estimates for the debt tenure and a

moderate leverage¹ of ~44% as on March 31, 2023. The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from the National Highway Authority of India [NHAI; rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~6% of the estimated FY2024 revenues. ICRA expects the toll collections for the existing portfolio of 11 toll assets to grow by around 8% in FY2024, on the back of softening of WPI. Further, as per ICRA estimates, the overall toll collections for the Trust are expected to increase significantly in FY2024 due to addition of three toll assets with the acquisition of Brookfield assets in June 2023.

The rating considers the benefit of cash flow pooling for the SPVs and the Trust, which ensures that necessary reserves for the major maintenance (MM) in the SPVs are built up on a quarterly basis as per the MM cost to be incurred for the ensuing year. Although the actual MM expenditure is lower than estimated during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the concession agreement (CA) leading to penalties from the authorities will remain a key rating monitorable. However, the robust cash flow profile of the portfolio provides comfort.

Further, the ratings draw comfort from the structural features, including maintenance of a three-month debt service reserve (DSR) in the form of bank guarantee or cash throughout the loan tenure and provision for cash trap mechanism in case the DSCR falls below pre-determined values, as per quarterly testing at the consolidated level. IndInfravit Trust had recently replaced the cash DSRA with the bank guarantee for some of the rated instruments pertaining to the existing portfolio while the same is maintained in the form of cash for the new loan facility availed for the acquisition of Brookfield assets. As per the sanction terms of the BG, this will fall due for renewal before March 28, 2024; in case of non-renewal, the lenders will trap the surplus cash; the surplus cash on a monthly basis is more than the quantum of DSRA required for these instruments thereby providing the comfort. However, delay in renewal of DSRA BG with no commensurate trapping of surpluses thereby resulting in dilution of debt structure will be a credit negative.

However, the Trust remains exposed to the risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or modes of transportation. In this regard, ICRA takes into account the muted traffic in FY2023 and Q1 FY2024 in two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows as they account for around 4.6% of the consolidated estimated revenues in FY2024. ICRA also notes the impact on traffic of few assets owing to various upcoming expressways and alternative routes over the medium-term including Delhi Mumbai Expressway, Samruddhi Expressway, Chennai-Bengaluru Expressway, Vijayawada-Bengaluru Expressway and the Hyderabad-Nandyala section. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

The InvIT is also exposed to residual execution risks in KWTPL and periodic maintenance to be undertaken in all the SPVs over the concession period. In addition, three of the SPVs—BPP, HYTPL and SUTPL, have commitment to pay sizeable premium to the NHAI over the concession period, which have been factored in ICRA's base case estimates. Part of the premium in SUTPL and HYTPL continues to be deferred, which has increased the cash outflow in the future years. Two road SPVs have concession from state authorities, which has exposed the InvIT to risks pertaining to decisions of these authorities with respect to applicability of toll rates and the timeliness of annuity payments. However, these SPVs are estimated to contribute only ~6% of the InvIT revenues in FY2024 respectively.

ICRA notes the DSCR-related financial covenant, which may result in debt acceleration ahead of maturity. However, ICRA draws comfort from the Trust's healthy financial flexibility with project life coverage ratio (PLCR) of more than 1.6 times (as per ICRA's base case estimates). Its cash flows will be exposed to interest rate risk given the rising interest rate scenario, which will be a key monitorable in the near term. ICRA draws comfort from the Trust's strong liquidity, as reflected in the unencumbered cash balance and liquid investment of around ~Rs. 1,350 crore as on July 31, 2023 at the consolidated level.

¹ Leverage is defined as ratio of consolidated external borrowings and deferred payments to enterprise value as per yearly valuation report dated March 31, 2023

The Stable outlook on the rating reflects ICRA's expectation that IndInfravit will continue to benefit from the diversified profile of its portfolio of assets, which along with the comfortable leverage should help in maintaining robust debt coverage metrics and strong liquidity profile. Going forward, the trends in traffic growth and movement in inflation/WPI (for toll rate hike) will remain the key rating sensitivities. Further, the Trust's ability to manage routine and periodic maintenance expenses within the budgeted levels remains critical. Also, future asset acquisitions, additional borrowings (other than envisaged) and regulatory changes that can impact its financial risk profile will remain monitorables. In this regard, ICRA notes that the ability of the IndInfravit to raise fresh unit capital in future to acquire new assets and/or maintain leverage at an adequate level would depend on its ability to generate healthy returns for the unitholders on a sustained basis. Therefore, the returns for unitholders will be a determinant for assessing the financial flexibility of the Trust.

Key rating drivers and their description

Credit strengths

Operational nature of asset portfolio with track record of toll collection and annuity assets provide stability to revenues – IndInfravit currently has a portfolio of 14 BOT toll road projects (13 toll road projects undertaken on public private partnership (PPP) basis in the CA with the NHAI and one toll road projects in concession with state authority). The average toll collection track record of the portfolio is around ten years. The long operational track record of the projects establishes stability of toll collections and leads to the expectation of a stable profile in future. Further, the portfolio includes four BOT annuity road projects undertaken on PPP basis (3 in CA with the NHAI and other with Karnataka state authority). The four annuity road projects have an average operational track record of more than 10 years. The annuity projects in turn provide revenue stability and diversification to an extent.

The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from NHAI [rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~5% of the estimated FY2024 revenues. ICRA expects the toll collections of IndInfravit to grow by ~8% in FY2024 on the back of moderation in WPI, after a stellar growth of around 20% in FY2023.

Comfortable leverage levels – The Trust had completed the acquisition of four out of five assets including SEL, REPL, MNEPL and KBICPL from Brookfield in June 2023. The trust has sanctioned facilities of Rs. 4,675 crore of long-term debt and raised Rs. 4,262 crore of equity for funding the Brookfield acquisition at D:E ratio of 52:48. However, as per ICRA estimates, the leverage is expected to remain at around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile

Strong financial profile of Trust – The ratings consider the robust cash flow cover, with projected average DSCR as per ICRA's base case estimates of more than 1.8 times. The ratings also take into account other features like maintenance of three-month DSRA in the form of bank guarantee and cash throughout the loan tenure and provision for cash trap in case the DSCR falls below the pre-determined values, as per quarterly testing. ICRA expects the coverage metrics of IndInfravit Trust to remain strong on the back of toll collection growth of ~8% in FY2024 for the existing 11 toll assets, supported by toll rate growth linked to WPI. Further, as per ICRA estimates, the overall toll collections for the Trust are expected to increase significantly in FY2024 due to addition of three toll assets with the acquisition of Brookfield assets in June 2023.

Large and reputed anchor investors – The key unitholders of IndInfravit comprise reputed pension funds - Canada Pension Plan Investment Board (CPPIB), The Ontario Municipal Employees Retirement System (OMERS) Infrastructure Asia Holdings Pte. Limited, and asset manager Allianz Capital Partners (ACP) who together hold ~96% of the unitholding as of June 2023. The investors have an established track record of investing in the infrastructure sector. LTIDPL IndvIT Services Limited (LISL) is the investment manager for the InvIT. The governance at LISL is undertaken by its board of directors comprising ten board members, with four representatives of the key stakeholders and six independent directors. The directors have extensive experience in the infrastructure sector in project management, corporate strategy, risk management, etc.

Cash pooling benefit of InvIT and regulatory approval for increase in consolidated leverage – The rating considers the benefit of cash flow pooling for the SPVs and the Trust, which ensures that the cash flows of all the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the Trust. The Trust received SEBI approval in December 2021 for increasing the leverage up to 70% (from 49%), while its leverage is expected to remain around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile. The InvIT's future debt raising plans, primarily to fund future acquisitions, capex and MM, and its impact on the coverage metrics would remain a key monitorable going forward.

Credit challenges

Risks inherent in BOT toll road projects – IndInfravit is exposed to risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or alternate modes of transportation. In this regard, ICRA takes into account the muted traffic in FY2023 and Q1 FY2024 in two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows as they account for around 4.6% of the consolidated estimated revenues in FY2024. ICRA also notes the impact on traffic of few assets owing to various upcoming expressways and alternative routes over the medium-term including Delhi Mumbai Expressway, Samruddhi Expressway, Chennai-Bengaluru Expressway, Vijayawada-Bengaluru Expressway and the Hyderabad-Nandyala section. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

While InvIT has most of its assets in concession from NHAI, it has one toll asset and one annuity asset with concession from the state authority. This exposes the Trust to risks arising from decisions of these authorities with respect to the applicability of toll rates and the credit profile of the state authority for the annuity asset. In this context, ICRA notes that the tolling of passenger vehicles and state transport buses has been exempted in AJTPL. This exemption was, however, in effect prior to AJTPL's acquisition by the Trust. AJTPL also receives compensation from the authority for tolling exemption on the two vehicular categories. The SPVs which are in concession with state authorities account for only ~6% of the InvIT revenues in FY2024.

BPP has commitment to pay sizeable premium to NHAI over the concession period and a part of the premium has been deferred in the past, which has increased the cash outflow in the future years. The project has witnessed lower-than-initially-envisaged traffic and therefore a healthy increase in traffic and toll collections on the project stretch will be important, given the sizeable outflows towards premium and MM expenditure in future. In the absence of strong growth, BPP's project stretch may remain a drag on the overall returns to unitholders. BPP's project stretch has witnessed the healthy recovery of traffic in the recent quarters, however, sustenance of the same remains to be seen.

Undertaking regular and periodic maintenance/capex within budgeted cost – The cash flows of the underlying assets depend on the timely undertaking of regular operations and maintenance (O&M) and periodic maintenance (major maintenance) as specified in the CA and within the budgeted costs. While ICRA takes these parameters into consideration to determine the sensitivities, any significant variations from the budgeted levels can impact the Trust's cash flows. However, the rating considers the benefit of cash flow pooling for the SPVs and the Trust, which ensures that necessary reserves for the major maintenance (MM) in the SPVs are built up on a quarterly basis as per the MM cost to be incurred for the ensuing year. Although the actual MM expenditure is lower than estimated during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the concession agreement (CA) leading to penalties from the authorities will remain a key rating monitorable. However, the robust cash flow profile of the portfolio provides comfort

Risk of future asset acquisition by the Trust and its funding pattern – The Trust may acquire additional projects in future, which could have a material impact on its operational and financial risk profile. However, ICRA draws comfort from the management's strategy that the new asset acquisition will be funded such that the overall leverage remains comfortable. If

IndInfravit acquires any other asset or raises any additional debt in future, ICRA will at that juncture, evaluate the impact of the same on the rating.

Liquidity position: Strong

The liquidity position is expected to remain strong with adequate toll collections to meet the operational expenses and debt servicing requirements. As on July 31, 2023, IndInfravit held unencumbered cash and bank balances of around Rs. 1,350 crore at the consolidated levels. The consolidated debt repayment of Rs. 340 crore in FY2024 can be comfortably serviced from the Trust's cash flows.

Rating sensitivities

Positive factors – Not Applicable.

Negative factors – The ratings may be downgraded if any debt-funded acquisition results in a significant increase in leverage (loan to value) or unfavourable changes in debt structure, thereby resulting in material decline in debt coverage metrics. Lower-than-anticipated collections in SPVs or increase in costs, resulting in average DSCR over the debt tenure falling below 1.8 times for the current portfolio (dominated majorly by toll assets), could trigger a rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Infrastructure Investment Trusts (InvITs) Rating Methodology for BOT (Annuity) Roads Rating Methodology for BOT (Toll) Roads
Parent/Group Support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial statements of the issuer (list of SPVs consolidated with IndInfravit are in Annexure)

About the issuer

IndInfravit was established by L&T Infrastructure Development Projects Limited on March 7, 2018, as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on March 15, 2018.

IndInfravit's initial portfolio of assets comprises five operational BOT toll road projects with a cumulative length of 2,654 lane kms. These projects were transferred to the InvIT from L&T IDPL on May 4, 2018. These projects are operated and maintained pursuant to the concessions granted by the NHAI and are located in four different states. L&T IDPL is the sponsor of the InvIT.

In July 2019, IndInfravit announced its plans for acquisition of nine SPVs of Sadbhav Infrastructure Project Limited (SIPL) and Sadbhav Engineering Limited (SEL). The portfolio comprises seven toll road assets and two annuity road assets having a cumulative length of 2,619 lane kms. The Trust acquired eight of the nine SPVs. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Krishnagiri Thopur Toll Road Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Krishnagiri Walajapet Tollway Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Western Andhra Tollways Pvt Limited	BOT Toll road project	NHAI	Andhra Pradesh
Beawar Pali Pindwara Tollway Pvt Limited	BOT Toll road project	NHAI	Rajasthan
Devihalli Hassan Tollway Pvt Limited	BOT Toll road project	NHAI	Karnataka

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Aurangabad Jalna Tollway Pvt Limited	BOT Toll road project	PWD [^]	Maharashtra
Bhilwara-Rajsamand Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Bijapur Hungund Tollway Private Limited	BOT Toll road project	NHAI	Karnataka
Dhule Palesner Tollway Pvt Limited	BOT Toll road project	NHAI	Maharashtra
Hyderabad-Yadgiri Tollway Private Limited	BOT Toll road project	NHAI	Telangana
Shreenathji-Udaipur Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Nagpur Seoni Express Way Pvt Limited	BOT Annuity road project	NHAI	Maharashtra/ Madhya Pradesh
Mysore Bellary Highway Private Limited	BOT Annuity road project	KSHIP [^]	Karnataka/ Andhra Pradesh

[^] KSHIP – Karnataka State Highways Improvement Project, PWD – Public Works Department, Maharashtra

The fund (unit capital) raising in IndInfravit was done through private placement mode, though the Trust is listed on both the National Stock Exchange and the Bombay Stock Exchange since May 9, 2018. The key investors of the InvIT include the Canada Pension Plan Investment Board (CPPIB), Allianz Capital Partners (ACP) and OMERS Infrastructure Asia Holdings Pte. Ltd. The sponsor and anchor investors also participated in the fund raising done for the acquisition of the Sadbhav portfolio.

The Trust has completed the acquisition of SEL, REPL, MNEPL and KBICPL from Brookfield on June 15, 2023 and is likely to complete the acquisition of GICPL by Q3 FY2024. The portfolio comprises three toll road assets and two annuity projects having a cumulative length of 514.9 km. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Gorakhpur Infrastructure Company Private Limited [rated [ICRA]AA-(On Rating Watch with Developing Implications)]	BOT Annuity road project	NHAI	Uttar Pradesh
Kosi Bridge Infrastructure Company Private Limited	BOT Annuity road project	NHAI	Bihar
Mumbai Nashik Expressway Private Limited	BOT Toll road project	NHAI	Maharashtra
Simhapuri Expressway Limited	BOT Toll road project	NHAI	Andhra Pradesh
Rayalaseema Expressway Private Limited	BOT Toll road project	NHAI	Andhra Pradesh

Key financial indicators (audited)

IndInfravit Consolidated	FY2021	FY2022	FY2023
Operating income (Rs. crore)	1490.5	1666.3	1969.6
PAT (Rs. crore)	-470.1	-524.1	-400.6
OPBDIT/OI (%)	65.1%	64.3%	67.7%
PAT/OI (%)	-31.5%	-31.5%	-20.3%
Total outside liabilities/Tangible net worth (times)	1.8	2.3	2.8
Total debt/OPBDIT (times)	4.3	3.8	3.0
Interest coverage (times)*	1.1	1.1	1.4

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation;

Source: IndInfravit, ICRA Research

*Interest coverage stands at 2.1 times for FY2021, 2.3 times for FY2022 and 2.8 times for FY2023 after adjusting for non-cash expenses such as Unwinding of discount and implicit interest expense on fair value

Status of non-cooperation with previous CRA: Not applicable

Any other information:

Cash flow pooling: For arriving at the rating, ICRA has taken into account the consolidated free cash flows from the underlying SPVs on account of the pooling benefit at the SPVs and the Trust level. The SPVs have been considered as a single pool. ICRA has applied its rating methodologies as mentioned under the section on analytical approach.

The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Instrument		Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2023 (Rs. crore)	Current Rating (FY2024)			Chronology of Rating History for the Past 3 Years							Date & Rating in FY2021
					Date & Rating in FY2024			Date & Rating in FY2023			Date & Rating in FY2022				
					Sep 11, 2023	Jul 13, 2023	May 24, 2023	Mar 21,2023	Mar 02,2023	Jun 24, 2022	Dec 31, 2021	June 25, 2021	May 18, 2021	Apr 26, 2021	Apr 3, 2020
1	NCD	Long-term	1,375.0	0.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)
2	NCD	Long-term	-	-	-	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
3	Commercial paper programme	Short-term	-	-	-	[ICRA]A1+; Withdrawn	[ICRA]A1+	-	-	-	-	-	-	-	-
4	Fund-based TL	Long-term	1,385.0	3,999.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-
5	Fund-based TL	Long-term	2,716.0		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
6	Fund-based TL	Long-term	3,300.0	0.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
7	Non-fund based - BG	Long-term/ Short-term	140.0	0.0	[ICRA]AAA (Stable)/ [ICRA] A1+	-	-	-	-	-	-	-	-	-	-
8	Unallocated limits	Long-term	394.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
9	NCD	Long-term	-	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
10	NCD	Long-term	-	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-
11	Issuer rating	Long-term	-	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCDs	Simple
Fund-based – Term loan	Simple
Non-Fund based – Bank Guarantee	Very Simple
Unallocated limits	Not Applicable
Issuer rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE790Z07053	NCD Programme	June 2023	7.85%	March 2040	1,375.00	[ICRA]AAA (Stable)
NA	Long Term - Fund Based TL	May 2018/ April 2021	NA	March 2038	1385.00	[ICRA]AAA (Stable);
NA	Long Term - Fund Based TL	April 2021/ March 2023	NA	March 2038/ September 2040	2716.00	[ICRA]AAA (Stable);
NA	Long Term - Fund Based TL	July 2022/ September 2022	NA	March 2040	3,300.00	[ICRA]AAA (Stable);
NA	Non-Fund based - Bank Guarantee	March 2023	NA	March 2024	140.00	[ICRA]AAA (Stable)/[ICRA]A1+;
NA	Long Term - Unallocated Limits	NA	NA	NA	394.00	[ICRA]AAA (Stable);
NA	Issuer rating	NA	NA	NA	-	[ICRA]AAA (Stable);

Source: IndInfravit Trust

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Beneficial Ownership	Consolidation Approach
Krishnagiri Thopur Toll Road Pvt Limited	100.00%	Full Consolidation
Krishnagiri Walajapet Tollway Pvt Limited	100.00%	Full Consolidation
Western Andhra Tollways Pvt Limited	100.00%	Full Consolidation
Beawar Pali Pindwara Tollway Pvt Limited	100.00%	Full Consolidation
Devihalli Hassan Tollway Pvt Limited	100.00%	Full Consolidation
Aurangabad Jalna Tollway Pvt Limited	100.00%	Full Consolidation
Bhilwara-Rajsamand Tollway Private Limited	100.00%	Full Consolidation
Bijapur Hungund Tollway Private Limited	100.00%	Full Consolidation
Dhule Palesner Tollway Pvt Limited	100.00%	Full Consolidation
Hyderabad-Yadgiri Tollway Private Limited	100.00%	Full Consolidation
Shreenathji-Udaipur Tollway Private Limited	100.00%	Full Consolidation
Nagpur Seoni Express Way Pvt Limited	100.00%	Full Consolidation
Mysore Bellary Highway Private Limited	100.00%	Full Consolidation
Gorakhpur Infrastructure Company Private Limited* [@]	100.00%	Full Consolidation
Kosi Bridge Infrastructure Company Private Limited [@]	100.00%	Full Consolidation
Mumbai Nashik Expressway Private Limited [@]	100.00%	Full Consolidation
Simhapuri Expressway Limited [@]	100.00%	Full Consolidation
Royalaseema Expressway Private Limited [@]	100.00%	Full Consolidation

Source: IndInfravit Trust

Krishnagiri Thopur Toll Road Pvt Limited (KTTP), Krishnagiri Walajapet Tollway Pvt Limited (KWTP), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), Gorakhpur Infrastructure Company Private Limited (GICPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL), Mumbai Nashik Expressway Private Limited (MNEPL), Simhapuri Expressway Limited (SEL) and Royalaseema Expressway Private Limited (REPL)

* The target asset is yet to be acquired.

[@] Nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

ANALYST CONTACTS

Rajeshwar Burla
+91 40 4547 4829
rajeshwar.burla@icraindia.com

Ashish Modani
+91 20 6606 9912
ashish.modani@icraindia.com

Vinay Kumar G
+91 40 4547 4829
vinay.g@icraindia.com

M Rajashekar Reddy
+91 40 4547 4829
m.rajashekarreddy@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

Annexure F**Revenue of the InvIT for the last 5 years, project-wise:****Amount in Rs. Crore**

S.No	Name of the Company	FY 19	FY 20	FY 21	FY 22	FY 23	H1 FY 24
1	KWTPL	195.26	201.09	178.63	211.10	255.99	135.65
2	KTTRPL	191.22	195.70	184.15	213.18	259.98	136.54
3	DHTPL	45.11	53.75	49.43	51.31	65.63	36.97
4	WATPL	82.06	84.24	80.53	94.73	115.75	63.64
5	BPPTPL	386.58	418.61	432.14	460.33	554.94	289.67
6	HYTPL	77.20	80.10	80.40	98.50	118.69	61.63
7	SUTPL	120.50	126.70	113.17	113.42	110.94	57.50
8	BRTPL	51.50	54.20	37.84	33.25	40.93	21.53
9	BHTPL	122.30	118.50	116.35	129.78	160.25	89.12
10	DPTPL	191.50	192.50	185.48	210.50	260.60	145.93
11	AJTPL	40.30	46.50	37.40	40.49	43.99	16.17
12	NSEPL	38.40	43.60	42.84	43.58	43.58	21.79
13	MBHPL	141.80	141.90	141.66	141.81	141.81	70.95
14	SEL	322.86	362.07	334.24	363.77	425.95	242.27
15	REPL	136.30	171.76	130.66	147.58	168.25	93.70
16	MNEL	170.85	171.69	164.26	204.05	262.02	135.95
17	KBICL	63.80	63.80	63.80	63.80	63.80	31.90

Annexure G

Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at the end of the half year:

Particulars	Amount (Rs. in Crore)
<u>Enterprise Value (EV)</u>	
As per FY 23 Valuation	11,400.11
Net Debt	8,753.50
EV	20,153.61
Debt to EV	43.43%

Annexure H

The total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the half year:

Amount Rs.

Cash flow	H1
Opening Balance - A	2,94,71,99,927
Cash from Unit Escrow	4,262,20,00,000
Receipt of MM Cost recovery	118,73,40,000
Loan Drawdown	4,379,00,00,000
CP Drawn	3,276,65,03,400
Interest from SPVs	561,48,05,873
Principal Repayment	286,53,90,592
Sale of Investments	51,53,64,216
Other Income	13,78,30,454
Total Inflow – B	12,949,92,34,535
Cash outflow	
Processing & Commitment Fees	24,69,15,000
Interest payment to Investors Including TDS	341,46,47,861
Principal payment to Investors	218,69,89,060
Dividend / Other income Payment to Investors	4,34,28,782
Share Consideration paid	
Payment Against Excess MM Cost to SPVs	1,16,49,00,000
Equity Investment in New SPVs	4,847,25,20,622
SPV loans	3,608,32,51,216
Loan Interest	259,58,59,254
Loan Repayment	156,50,54,000
CP Repayment	3,282,00,00,000
IM fees	8,81,40,405
Insurance Cost	2,03,60,475
Consultant Fee	24,24,74,630
Others	3,59,14,717
Total Outflow – C	12,898,04,56,023
Closing Balance (A + B – C)	346,59,78,440

Annexure I

Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle in which it has investment in:

(Amount in Rs.)

Date	SPV	Loan Given	Loan Repaid
04-May-23	KWTPL		11,50,00,000
28-Jun-23			7,50,00,000
12-Sep-23			30,00,00,000
26-Sep-23			5,50,00,000
28-Sep-23			3,35,00,000
28-Sep-23		67,00,00,000	
04-May-23	BHTPL		10,00,00,000
28-Jun-23			10,00,00,000
26-Sep-23			7,25,00,000
06-May-23	DPTL		10,00,00,000
27-Jun-23			10,45,50,324
26-Sep-23			4,50,00,000
30-Jun-23	SEL		30,00,00,000
20-Jul-23			11,00,00,000
14-Sep-23			47,35,00,000
25-Sep-23			12,00,00,000
15-Jun-23		20,80,27,86,651	
13-Sep-23	MBHPL		26,80,40,268
13-Sep-23	MNEL		31,25,00,000
15-Jun-23		2,72,69,57,765	
13-Sep-23	KBICL		7,08,00,000
16-Jun-23		1,42,09,58,062	
25-Sep-23	HYTPL		11,00,00,000
05-Apr-23	BPPTL	30,00,00,000	
03-Aug-23		30,00,00,000	
15-Jun-23	REPL	9,86,25,48,738	
		36,08,32,51,216	2,86,53,90,592

DETAILS OF MATERIAL LITIGATION AND REGULATORY ACTION**A. IndInfravit Trust****Material Litigation and Regulatory Action Pending Against the IndInfravit Trust and the SPVs**

1. M/s. Suvarna Buildcon Pvt. Ltd (Plaintiff) has filed a suit against M/s. Sadbhav Engineering Limited & Ors before Commercial Court, Pune being Commercial Suit No. 53 of 2021 for inter alia recovery of an alleged amount of Rs. 599.4 million along with interest at the rate of 18% p.a., from the date of filing of the suit till repayment, where IndInfravit Trust has been arrayed as a party alongside Sadbhav Engineering Limited, Sadbhav Infrastructure Projects Limited, Mysore Bellary Highway Private Limited and Karnataka State Highways Improvement Project (KSHIP).

The Plaintiff, a contractor, is not a vendor of IndInfravit Trust, and there is no cause of action made out by the Plaintiff in the plaint, against the IndInfravit Trust. The substance of the dispute and alleged claims rest essentially between the Plaintiff and the defendant nos.1 & 2. The Plaintiff has however made the IndInfravit Trust a party to the suit and has inter alia sought a decree in its favour directing all the defendants to pay jointly and severally the alleged amounts along with other reliefs, including injunctive relief in the manner sought by the Plaintiff. IndInfravit Trust has filed its written statement, reply to interim applications and an application under Order VII Rule 11 of the Civil Procedure Code, 1908 challenging jurisdiction and cause of action. Matter is pending.

B. SPVs of the IndInfravit Trust**1) Krishnagiri Walajahpet Tollway Private Limited (KWTP)**

- Vellore District Bus Owners Association (VDBOA) has filed the writ petition being W.P. No. 13091/2021 before the High Court of Madras against KWTP, NHAI & others with a prayer to quash and to grant stay of the operation of the Fee Notification dated 05.10.2010 issued by the Government of India allowing KWTP to collect toll fees as per the new toll policy. The matter is pending.
- The Confederation of Surface Transport Tamilnadu has filed the writ petition before the High Court of Madras against KWTP, NHAI & others being W.P. No.13607/2011 before the High Court of Madras praying to quash and to grant stay of the operation of the Notification dated. 05.10.2010 issued by the Government of India allowing SPV to collect toll fees as per the new toll policy. The matter is pending.
- In addition to the above mentioned two matters-there are another set of 12 writ petitions being Writ Petition No. 19021/2011, 19022/2011, 19023/2011, 19024 19024/2011, 22358/2011, 21625/2011, 20254/2011, 20220/2011, 20656/2011, 20657/2011, 21624/2011, 21148/2011 which have been filed by the individual bus owners associations and Krishnagiri District Bus Owners Association before the High Court of Madras seeking exemption of user fee. In all these petitions NHAI, KWTP and others are respondents.
- KWTP has filed the writ petition before the High Court of Madras being W.P. No. 3502/2015 against TNSC and others seeking, inter alia, the directions to TNSC to make payment of the user fee/toll fee strictly in terms of the Fee Notification dated 5.10.2010 issued by Ministry of Road Transport and Highways. The writ was filed because the buses belonging to TNSC Depots at Salem and Vellore are plying on the project highway without making payment of the appropriate fees. Buses belonging to these two depots purchase 50 trips ticket once every month but continue to use the project highway for the entire month. In spite of several reminders, TNSC has failed and

neglected to make payment of the fee in terms of Fee Notification and also failed to clear the arrears. The matter is pending.

- TNSTC has filed the writ petition before the High Court of Madras being W.P. No. 7904/2015 against NHAI, KWTPL and others seeking inter alia direction to formulate a better scheme for monthly pass holders allowing unlimited trips, grant the benefit of relocating the toll plazas out of the limits of local town and municipal area, grant discounts to the locals and frequent users, implement the revision of fee only on completion of the 6 laning. The matter is pending.
- TNSTC has filed the writ petition before the High Court of Madras being W.P. No. 36883/2015 against NHAI, KWTPL and others seeking inter alia direction for the benefits of amendments of Rule 9.3(a), i.e., benefit of reduction 50% toll to commercial vehicles registered in district of location of toll plaza is located, should be extended to TNSTC buses. The matter is pending.
- Anaithu Vyaparigal Sangam had filed the writ petition before High Court of Madras being W.P. No. 29396/2016 against KWTPL, NHAI & others seeking directions against NHAI and KWTPL for shifting of the Toll Plaza at Pallikonda and against R-6 have sought interim injunction restraining it from collecting fees from local residents of the Pallikonda. The petition was disposed of on 07.09.2023.
- KWTPL has invoked arbitration against NHAI vide its letter dated 26.07.2018 for adjudication of its long pending claims amounting to Rs.364 crores. The Arbitral Tribunal has been constituted on 16.09.2019 comprising of Mr. Justice G. P. Mittal (Retd.) (Presiding Arbitrator), Mr. Shashi Kant Sharma (Co – Arbitrator) and Mr. R L Koul (Co – Arbitrator). The Arbitral Tribunal has issued an arbitral award on 17.01.2023 and corrected award issued on 20.01.2023. Claims awarded in favor of KWTPL – Rs 30.92 Crore + Interest accrued @ 10.5% since 12.04.2016. The Arbitral Tribunal has also awarded extension of the concession period by 15 days and 2.5 hrs. Counterclaims were awarded in favor of NHAI – Rs. 21.13 crore + Interest accrued @10.5% since 01.07.2015. KWTPL and NHAI have filed Section 34 petitions respectively under the Arbitration and Conciliation Act, 1996 before the Delhi High Court. The matter is pending.
- NHAI raised demand for an amount of Rs. 144.6 million towards execution of highway lighting as per provisions of the concession agreement. It has been replied to NHAI that the demand raised by NHAI is beyond the provisions of the concession agreement. Intent to notify this matter as “Dispute” has been conveyed to NHAI.
- Mr. M. Damodaran (petitioner) has filed the writ petition before High Court of Madras being W.P. No. 2205/2022 against the Union of India, KWTPL and NHAI (along with a petition for stay), wherein KWTPL is respondent no.3, and wherein the Petitioner has inter alia sought for issuance of an appropriate order, direction or writ, calling for the records relating to the order of NHAI in NHAI/11026/2/PIU-K’Giri/2021/1611 dated 22 November 2021 and for setting aside the same and directing the respondents to consider the petitioner’s representation to consider removal of the maximum trip restriction on the monthly pass of mini buses of the petitioner. The matter is pending.

2) Krishnagiri Thopur Toll Road Private Limited (KTTRPL)

- Certain disputes arose between NHAI and KTTRPL in relation to the delay damages due to delay in the commencement of periodic overlay works, damages in relation to deficiency in thickness of overlay, dispute pertaining to damages in relation to thickness overlay, NHAI has noted certain non-compliances such as facilities such as wayside amenities, rest area, truck laybacks, bus bays and bus shelters, utility ducts and pedestrian/cattle underpass by KTTRPL in terms of the Concession Agreement. NHAI

raised a claim against KTTRPL to remit the damages in relation to delay in completion of punch list items such as delay in providing fencing for the right of way in terms of the Concession Agreement, Independent Engineer (IE) notified for rectification of the potholes, way side amenities, delineators and rehabilitation of minor bridges. Further, NHAI has also raised a claim for highway lighting works allegedly not executed by KTTRPL for which a notice of dispute has been issued by KTTRPL. The cumulative value of claims raised by NHAI is Rs.94.69 Crore which has been disputed by KTTRPL. The disputes have been referred to Conciliation Committee of Independent Expert (CCIE) for conciliation.

3) **Devihalli Hassan Tollway Private Limited (DHTPL)**

- DHTPL vide its letter dated 02.03.2018 invoked arbitration in terms of Article 44.3 of the concession agreement (as amended by the supplementary agreement dated 14.03.2017) for resolution of the disputes related to the claims amounting to Rs.64.64 crores. An Arbitral Tribunal was constituted comprising of Mrs. Justice Usha Mehra as Presiding Arbitrator, Mr. Justice J. D. Kapoor (retd.) and Mr. Raghav Chandra, IAS (retd.) as the co-arbitrators. Arbitral Tribunal has issued majority award on 17.02.2022 and minority award on 05.02.2022 claims awarded in favor of DHTPL – Rs. 26,38,21,753/- + interest for some disputes. Counterclaims awarded in favor of NHAI – Rs. 20,53,609/-.

NHAI has brought out “Vivad-se-Vishwas” policy under which the arbitral award prior to 31.01.2023 could be settled as one time settlement and 65% of the award would be paid by NHAI. DHTPL has made an application to settle the arbitral award through “Vivad-se-Vishwas” policy through GeM Portal on 09.08.2023.

Apart from the above, NHAI has raised certain claims of damages for alleged breach of maintenance obligations which have been disputed by DHTPL. Total value of claims raised by NHAI against DHTPL is Rs. 1.29 Cr.

DHTPL too has raised claims against NHAI for closure of Shiradi Ghat which affected the revenue of the SPV. In addition, DHTPL has submitted claims under Change in law, reimbursement of power consumption charges for highway lighting works executed under change of scope, payment of 80% sums instead of 100% sums demanded by NHAI for the maintenance savings and total value of claims submitted to NHAI is Rs. 20.35 Cr. and 131 days extension of the concession period.

The aforementioned issues are referred to CCIE for amicable resolution and CCIE proceedings to commence on 25.10.2023.

4) **Beawar Pali Pindwara Tollway Private Limited (BPPTPL)**

- Babulal Choudhary has filed the writ petition before the Rajasthan High Court being W.P. No. 903/2015 against NHAI, BPPTPL and others. The petitioner is the proprietor of the petrol pump located in the vicinity of the toll plaza. The petitioner is challenging the location of the toll plaza which is within 500 mts. of petrol pump of the petitioner. The respondent replied that the petitioner has filed the writ petition on the anticipation that the license of retail outlet installed by the petitioner in 2004 shall be cancelled by NHAI due to the breach of a mandatory condition of license issued by NHAI. The condition stipulates that the licensee shall not extend or alter the said approach road or any culvert or drainage therein without the prior permission in writing of the Executive Engineer NH Division, Pali, which could culminate into de-energizing the retail outlet of the petitioner as per the license condition. The matter is pending.
- NHAI and BPPTPL dispute – Certain disputes were going between BPPTPL and NHAI in relation to delay damages, operation and maintenance, lane closure issue, penalties for

non-functioning of project facilities, penalty for delay in avenue plantation activities in respect of operation and maintenance obligations, penalty for delay in repair and rectification of defects and deficiencies in SOS emergency call boxes in respect of O&M obligations, penalty for delay in repair and rectification of defects and deficiencies in Metal Beam Crash Barrier and sign board in respect of O&M obligations, levy of penalty for delay in repair and rectification of defects and deficiencies in solar lights at minor junctions in respect of O&M obligations, penalty for delay in repair and rectification of defects and deficiencies observed on the project site Section – 1 and Section – 2 in respect of O&M obligations, issue pertaining to negative COS, show cause notice on alleged distress of project highway, issue pertaining to cure period notice, damages for alleged non- completion of punch list items. The settlement agreement has been executed between NHAI and BPPTPL in relation to the above dispute.

- NHAI has raised a demand of additional premium of Rs. 348.61 Cr. which has been responded suitably by the BPPTPL.

5) Mysore Bellary Highway Private Limited (MBHPL)

- M/s. Suwarna Buildcon Pvt. Ltd (Plaintiff) has filed a suit against, M/s., Sadbhav Engineering Limited & Ors before Commercial Court, Pune being Commercial Suit No. 53 of 2021 for inter alia recovery of an alleged amount of Rs. 599.4 million along with interest at the rate of 18% p.a., from the date of filing of the suit till repayment, where IndInfravit Trust and MBHPL have been arrayed as a parties alongside Sadbhav Engineering Limited, Sadbhav Infrastructure Projects Limited, Mysore Bellary Highway Private Limited and Karnataka State Highways Improvement Project (KSHIP). The Plaintiff, a contractor, is not a vendor of IndInfravit Trust and MBHPLS, and there is no cause of action made out by the Plaintiff in the plaint, against the IndInfravit Trust and MBHPL. The substance of the dispute and alleged claims rest essentially between the Plaintiff and the defendant nos.1 & 2. The Plaintiff has however made the IndInfravit Trust and MBHPL as parties to the suit and has inter alia sought a decree in its favour directing all the defendants to pay jointly and severally the alleged amounts along with other reliefs, including injunctive relief in the manner sought by the Plaintiff. IndInfravit Trust and MBHPL have filed its written statement, reply to interim applications and an application under Order VII Rule 11 of the Civil Procedure Code, 1908 challenging jurisdiction and cause of action. The matter is pending.
- Suwarna Buildcon Private Limited has also initiated arbitration proceedings being A.P./002/28042023 against Sadbhav Engineering Limited, Sadbhav Infrastructure Projects Limited, MBHPL and others before the Sole Arbitrator, Rajendra Jambkar for recovery of an alleged amount of Rs. 59,87,22,532/-. MBHPL has filed an application under Section 16 of the Arbitration and Conciliation Act, 1996. The matter is pending.

6) Western Andhra Tollways Private Limited (WATPL)

- WATPL has filed the writ petition before the High Court of Telangana being W.P.No. 34987/2021 against Telangana State Southern Power Distribution Company of Telangana Limited, Hyderabad, Janampet Gram panchayat and others. This issue pertains to notice received by WATPL from Telangana State Southern Power Distribution Company of Telangana Limited (TSSPDCL) regarding change of street lighting category and demand of back billing arrears by TSSPDCL amounting to approx., Rs. 23 million. TSSPDCL had without providing any intimation to WATPL, changed the connection from the village sarpanch to WATPL in respect of Janampet location and revised the electricity tariff category to Cat 2 (B). Thereupon, WATPL received notice for the streetlight connection at the village of Janampet with directions to pay the arrears on account of alleged wrong category usage. The Divisional Engineer passed its final assessment order in respect of the abovementioned connection and directed payment of the assessment amounts, and thereupon WATPL also received notice for

disconnection of link services from TSSDCPL. WATPL has filed present writ petition before the Hon'ble High Court seeking orders: (i) declaring the actions of TSSPDCL, in changing the name of consumer from gram panchayat to WATPL, illegal & arbitrary; (ii) directing TSSPDCL to change the category in respect of the service connection back to the Grampanchayat; and (iii) staying all proceedings for back billing initiated against WATPL pending disposal of the said writ petition. The Hon'ble High Court has granted ad interim relief and directed to TSSPDCL not to take coercive action. The matter is pending.

➤ WATPL has filed the writ petition before the High Court of Telangana being W.P. No. 34969/2021 against Telangana State Southern Power Distribution Company of Telangana Limited, Hyderabad, Annasagar Grampanachyat and others. This issue pertains to notice received by WATPL from Telangana State Southern Power Distribution Company of Telangana Limited (TSSPDCL) regarding change of street lighting category and demand of back billing arrears by TSSPDCL amounting to approx., Rs. 14.4 million. TSSPDCL had without providing any intimation to WATPL, changed the connection from the village sarpanch to WATPL in respect of Annasagar location and revised the electricity tariff category to Cat 2 (B). Thereupon, WATPL received notice for the streetlight connection at the village of Annasagar with directions to pay the arrears on account of alleged wrong category usage. The Divisional Engineer passed its final assessment order in respect of the abovementioned connection and directed payment of the assessment amounts, and thereupon WATPL also received notice for disconnection of link services from TSSDCPL. WATPL has filed present writ petition before the Hon'ble High Court seeking orders: (i) declaring the actions of TSSPDCL, in changing the name of consumer from gram panchayat to WATPL, illegal & arbitrary; (ii) directing TSSPDCL to change the category in respect of the service connection back to the Grampanchayat; and (iii) staying all proceedings for back billing initiated against WATPL pending disposal of the said writ petition. The Hon'ble High Court has granted ad interim relief and directed to TSSPDCL not to take coercive action. The matter is pending.

➤ WATPL has filed the writ petition before the High Court of Telangana being W.P.No. 35012/2021 against Telangana State Southern Power Distribution Company of Telangana Limited, Hyderabad, Kommireddypally Grampanachyat and others. This issue pertains to notice received by WATPL from Telangana State Southern Power Distribution Company of Telangana Limited (TSSPDCL) regarding change of street lighting category and demand of back billing arrears by TSSPDCL amounting to approx., Rs. 15 million. TSSPDCL had without providing any intimation to WATPL, changed the connection from the village sarpanch to WATPL in respect of Kommireddypally location and revised the electricity tariff category to Cat 2 (B). Thereupon, WATPL received notice for the streetlight connection at the village of Kommirdypally with directions to pay the arrears on account of alleged wrong category usage. The Divisional Engineer passed its final assessment order in respect of the abovementioned connection and directed payment of the assessment amounts, and thereupon WATPL also received notice for disconnection of link services from TSSDCPL. WATPL has filed present writ petition before the Hon'ble High Court seeking orders: (i) declaring the actions of TSSPDCL, in changing the name of consumer from gram panchayat to WATPL, illegal & arbitrary; (ii) directing TSSPDCL to change the category in respect of the service connection back to the Grampanchayat; and (iii) staying all proceedings for back billing initiated against WATPL pending disposal of the said writ petition. The Hon'ble High Court has granted ad interim relief and directed to TSSPDCL not to take coercive action. The matter is pending.

➤ WATPL has filed the writ petition before the High Court of Telangana being W.P. No. 18784/2022 against Telangana State Southern Power Distribution Company of Telangana Limited, Hyderabad, Divitipalli Grampanachyat and others. This issue pertains to notice received by WATPL from Telangana State Southern Power

Distribution Company of Telangana Limited (TSSPDCL) regarding change of street lighting category and demand of back billing arrears by TSSPDCL amounting to approx., Rs. 7.67 million. TSSPDCL had without providing any intimation to WATPL, changed the connection from the village sarpanch to WATPL in respect of Divitipalli location and revised the electricity tariff category to Cat 2 (B). Thereupon, WATPL received notice for the streetlight connection at the village of Divitipalli with directions to pay the arrears on account of alleged wrong category usage. The Divisional Engineer passed its final assessment order in respect of the abovementioned connection and directed payment of the assessment amounts, and thereupon WATPL also received notice for disconnection of link services from TSSDCPL. WATPL has filed present writ petition before the Hon'ble High Court seeking orders: (i) declaring the actions of TSSPDCL, in changing the name of consumer from gram panchayat to WATPL, illegal & arbitrary; (ii) directing TSSPDCL to change the category in respect of the service connection back to the Grampanchayat; and (iii) staying all proceedings for back billing initiated against WATPL pending disposal of the said writ petition. The Hon'ble High Court has granted ad interim relief and directed to TSSPDCL not to take coercive action. The matter is pending.

6 Hyderabad Yadgiri Tollway Private Limited (“HYTPL”)

- Arbitration claims amounting to Rs. 811 million and extension of concession period by 260 days were filed with NHAI. The arbitration award has been passed by Arbitration Tribunal of Rs. 12.31cr + interest + 214 days increase in concession period on 20.12.2018. NHAI has filed an appeal before the Delhi High Court to challenge the arbitration award. HYTPL also requested NHAI for Conciliation. Last CCIE meeting held on 31.08.2021 wherein no settlement could be reached due to divergent position taken by NHAI and HYTPL. Matter is being pursued before the Hon'ble Delhi High Court.

7. Mumbai Nasik Expressway Private Limited (“MNEL”)

- Nasik Citizen Forum has filed the public interest litigation before the Bombay High Court being PIL No. 13/2015 against MNEL, NHAI & others. The PIL has been filed directing the respondents to take necessary steps for carrying out the necessary repairs, to appoint the agency for monitoring the work of maintenance, to restrain from collecting the user fee for Vadape – Gonde section till the portion of highway is repaired in all aspects. MNEL has filed compliance affidavit as per direction of Hon'ble High Court. The matter is pending.
- MNEL has challenged two separate orders of District Stamp Collector, Nasik before the Chief Controlling Revenue Authority, Maharashtra whereby collector has directed to pay stamp duty approx. Rs. 22 crores on the concession agreement along with interest. The matter is pending before the Chief Controlling Revenue Authority.

8. Simhapuri Expressway Private Limited (“SEL”)

- SEL has filed the writ petition before the High Court of Andhra Pradesh being W.P. No. 18713/2018 against Director of Mines and geology, Andhra Pradesh and others challenging the alleged demand of Rs. 10 crores approximately towards seigniorage fee. The Hon'ble High Court granted interim stay on the said demand. The matter is pending.
- SEL has filed the writ petition before the High Court of Andhra Pradesh being W.P. No. 14600/2023 against Director of Mines and geology, Andhra Pradesh and others challenging the alleged demand of Rs. 5 crores approximately towards seigniorage fee. The Hon'ble High Court granted interim stay on the said demand. The matter is pending.

II. Material Litigation and Regulatory Action Pending Against the Sponsor and its Associates.

A. Sponsor {L&T Infrastructure Development Projects Limited (L&TIDPL)}

L&T IDPL has confirmed there is no material litigation and regulatory action pending against either itself or any of its Associates. For the purposes of the foregoing, the materiality of any litigation and regulatory action was determined based on the Materiality Policy / Procedure adopted by the Sponsor and their respective associates.

B. Associates of the Sponsor (including common Associates of the Sponsor and the Investment Manager)

L&T IDPL has confirmed there is no material litigation and regulatory action pending against either itself or any of its Associates. For the purposes of the foregoing, the materiality of any litigation and regulatory action was determined based on the Materiality Policy / Procedure adopted by the Sponsor and their respective associates.

III. Material Litigation and Regulatory Action Pending Against the Investment Manager and its Associates.

A. Investment Manager

For details of the material litigation and regulatory action pending against the Investment Manager, please refer to “*Material Litigation involving the Associates of the Sponsor, including the common associates of the Sponsor and the Investment Manager*” herein above.

B. Associates of the Investment Manager

For details of the material litigation and regulatory action pending against the Associates of the Investment Manager, please refer to “*Material Litigation involving the Associates of the Sponsor, including the common associates of the Sponsor and the Investment Manager*” herein above.

IV. Material Litigation and Regulatory Action Pending Against the Project Managers and their respective Associates.

A. Interise Project Management Private Limited (Formerly known as IndInfravit Project Managers Private Limited and Sadbhav PIMA Private Limited) (IPMPL)

IPMPL has confirmed that there is no material litigation and regulatory action pending against either itself or any of its Associates.

B. Associates of IPMPL

NIL

V. Material Litigation and Regulatory Action Pending Against the Trustee

1. SBICAP Trustee & Ors Vs. ITSL & Ors.- O.S.No. 25877/2013, before the City Civil court Bangalore case was transferred on 31.05.2019 to Commercial div . CITY CIVIL and SESSIONS JUDGE Bangalore case is registered as Commercial Disputes case in Com. O.S. No.25877/2013

Current Updates.

On 21/08/2023, the counsel for the Plaintiffs filed a memo stating that they have challenged the Order of the Hon'ble Commercial Court on the Interlocutory Application, which was filed by the Plaintiff, in the Writ Petition Number 17774 of 2023 and the Hon'ble High Court has stayed the captioned matter by Four weeks.. Accordingly, the matter is posted on 14th September 2023 for the further orders of the High Court or Plaintiff Evidence.

Also, the Notice from the Hon'ble High Court is issued only to Defendant No 2 and 3 and not to other Defendants. Hence, other defendants need not be contested in WP No 17774/2023. ITSL is a Defendant No.1 and is not required to appear before Hon'ble High Court.

The matter has been stayed by the order of the Hon'ble High Court of Karnataka and the stay is extended for the further period of four weeks. Hence, the matter is posted on 25th October 2023. Await further orders from the High Court

Brief Background.

SBI Cap Trustee (the “**Plaintiff**”) had filed a suit before the City Civil Court, Bangalore against the Trustee and others (the “**Defendants**”) requiring sale of pledged shares for a particular price by SREI Fund/Investors, for whom the Trustee was acting as the share pledge trustee. India Competitive Global Fund (ICGC) acting through the SREI Investment Manager had a First & Exclusive Charge over the Pledged shares. At the instructions of the ICGC & SREI Investment Manager had transferred the Pledged shares to their demat account as they has First & Exclusive right over the shares. We as Share Pledge Trustee has acted on the instructions of the Lenders/Investors. ICGC/SREI sold the shares and appropriated the amounts towards their dues and transferred the surplus amount to the Plaintiff. The Plaintiff is acting for a consortium of lenders and has residual interest. The Plaintiff's case is that the ICGC/SREI has appropriated more amount than their dues. The aggregate claim amount is Rs. 1,550.3 million. The Branch Manager of SBI along with their counsel submitted to the Court that they are willing to explore settlement. The Court referred the matter for pre-conciliation efforts. In the afternoon session, our Advocate appeared before the Conciliator. Advocate briefly explained the dispute to the Conciliator. The Plaintiff informed the Conciliator that if Trinity provides the details of the loan transaction and a statement of accounts in relation to the same, this information would help them resolve the dispute quickly. The case was listed on 30.09.2021 for further conciliation. As no representative was present on behalf of the Company, the Court has recorded that there is no settlement between the parties. The case was adjourned to October 27, 2021 for the parties to proceed with the litigation. The case is now revolving around the proving of the dues by ICGC/SREI and appropriation of amounts. We as ITSL had no role in sale of shares, maintenance of books of accounts and appropriation of amounts and transfer of surplus amount. The matter was adjourned to 16.11.2021 for framing of Issues, 23.11.2021 for filing of list of witnesses ICGC ,SREI & ITSL, for filing of affidavit of evidence by SBI, 07.12.2021 for cross examination of witnesses of SBI, 14.12.2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ITSL and 21.12.2021 for cross examination of witnesses of Trinity and ITSL and 07.01.2022 for further orders. We as ITSL has filed an application under Order 1 Rule 10(2) read with Section 151 of the Code of Civil Procedure, 1908 for unsuiting ITSL from the suit and for deleting the name of ITSL from the array of the parties. The matter is now listed on 30.06.2022 for arguments on the application of ITSL for deleting the name of ITSL from the array of the parties. ITSL has no role in sale of shares & appropriation of sale proceeds. The Plaintiff appeared and filed the amended plaint and copies of the documents in two volumes (volume I consisting of 410 pages and volume II consisting of 598 pages). The Learned Judge upon examining the volumes observed that the Plaintiff had not filed the statement of truth. Therefore, the Learned Judge adjourned the matter for filing the statement of truth and additional written statement, if any. ITSL has filed it's additional Written Statement on 12th August, 2022. The matter adjourned to 25th January, 2023 for the reply arguments by the Defendants 2 & 3. The main contention taken by the Plaintiff Advocate while arguing on IA is that they are entitled for complete residual dues which Defendant No 2 & 3 have received while selling the pledged

shares. Plaintiff's IAs dismissed as not survived for consideration. Now the matter is posted on 21st August, 2023 for Plaintiff's Evidence.

2. Balmer Lawrie and Company Limited Vs. ICICI Venture Value Fund & Ors - Civil Suit No. 107 of 2011 before the Calcutta High Court

Current Update.

The success of the Petitioner against the Trustee in the instant petition being agitated is remote. The matter is currently pending.

Brief Background.

Balmer Lawrie and Compan Limited and another (the "**Plaintiffs**") had filed a petition before the Calcutta High Court against the Trustee and certain others (the "**Defendants**") challenging the validity of the sale transaction of 1,48,20,000 shares in Transafe Services Limited by the Defendant to the Plaintiff. The Plaintiffs have inter alia sought (a) the recovery of consideration received by the Defendants for the allegedly void contract being ₹ 237.12 million and (b) interest at the rate of 18% per annum on the decretal amount.

3. Future Corporate Resources Limited (FCRL) – Appeal No.81 of 2021- FCRL Vs. SEBI.

Current Status.

The case is against FCRL Employees Trust and not against ITSL. The matter is sub-judice. SAT has reserved it's order. The SAT vide Order dated the 19th April, 2023 directed the parties to file Written Submissions within 10 days. Written Submissions filed. The Orders awaited.

Brief Background.

In the matter of FCRL ESOP Trust, SEBI Adjudicating Officer has passed an order dated the February 3, 2021, on the ground of insider trading against eight persons including FCRL Employees Trust of which ITSL is a trustee. FCRL along with FCRL Employee Welfare Trust has been jointly and severally directed to disgorge an amount of ₹ 2, 75, 68,650/-. ITSL has submitted that ITSL as a trustee has acted on the instructions of the committee and not liable for insider trading and has not gained or received any amount. ITSL and FCRL Employee Welfare Trust are separate. All the said persons have filed an appeal before SAT against the said SEBI Order dated the February 3, 2021. SAT has given the next date of hearing on 18.04.2023. The matter was part heard on 18.04.2023 and adjourned to 19.04.2023. On 19.04.2023, SAT has reserved it's order and directed parties to file Written Submissions within 10 days. Written Submissions filed. The Orders awaited.

4. Muthoot Finance Ltd.Vs. Trustees Association of India(TAI), ITSL, Axis Trustee & SBICAP Trustee) – (Case No.29 of 2021) before Competition Commission of India(CCI).

Current Update.

At the hearing held on 21st February,2023, the Bombay High Court directed CCI to first decide the jurisdictional issue, leaving all other contentions open. Matter to go before CCI.

We have filed detailed application on 21st March, 2023 before CCI to decide upon jurisdiction and as opined by SEBI test laid down in the case of Bharti Airtel is not satisfied, therefore, recall the Prima Facie Order and forthwith close the proceedings against TAI (including Respondent DTs).

Brief Background.

On 10.09.2021, the Competition Commission of India(CCI) received an information from Muthoot Finance Limited (Informant) against Trustees Association of India (TAI) and three of its members, i.e., IDBI Trusteeship Services Limited, Axis Trustee Services Limited, and SBI CAP Trustee Company Limited (collectively referred to as 'OPs') for alleged contravention of Sections 3(3) and 4 of the Competition Act, 2002 (Competition Act) (hereinafter referred to as the 'Information'). I .e. for entering into anti-competitive agreement and formation of Cartel. CCI.

The CCI has passed an order dated 23.12.2021 under Section 26(1) of the Competition Act, 2002 (Competition Act) directing the Director General to investigate the conduct of Trustees' Association of India's (TAI), IDBI Trusteeship Services Limited (IDBI), Axis Trustee Services Limited and SBICAP Trustee Company (together referred to as the 'OPs') and its office bearers for *prima facie* violating Section 3(1) read with Section 3(3) of the Competition Act (Prima Facie Order) dealing with anti-competitive horizontal agreement (including cartel).

TAI, ITSL, Axis Trustee & SBICAP Trustee filed Civil Writ Petition Nos. 3781 of 2022, 3791 of 2022, 3842 of 2022 and 3847 of 2022 respectively before Bombay High Court challenging the jurisdiction of CCI as the SEBI as Sectoral Regulator has Jurisdiction to decide the matter. The matter has been adjourned to 15th February, 2023 for hearing on Application by CCI for vacation of Stay.

At the hearing held on 21st February,2023, the Bombay High Court directed CCI to first decide the jurisdictional issue, leaving all other contentions open. Matter to go before CCI.

We have filed detailed application on 21st March, 2023 before CCI to decide upon jurisdiction and as opined by SEBI test laid down in the case of Bharti Airtel is not satisfied, therefore, recall the Prima Facie Order and forthwith close the proceedings against TAI (including Respondent DTs).

5. R.K. Mohata Family Trust Vs. ITSL & Ors.

Current Status

Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd.(AAIL) Vs. R.K.Mohatta Family Trust & Ors, Supreme Court vide their Order dated the 3rd March,2023 allowed the Resolution Plan filed by AAIL and directed AAIL to make the payments prior to 31st March, 2023. AAIL has made the payment.

Brief Background.

One Mr .R.K.Mohata Family Trust has filed Commercial Suit (lodging) No. 27568 of 2021 before Bombay High Court against ITSL & RHFL praying for holding of meeting of debenture holders of RHFL as also damages of Rs.1,05,50,902 against ITSL towards his investment. Hon'ble Bombay High Court vide their orders dated the 31.03.2022 read with the Order dated the 06.04.2022 and the order dated the 10.05.2022 directed ITSL to hold the meeting of debenture holders. ITSL convened a meeting of the debenture holders on 13.05.2022 and as directed by Hon'ble Bombay High Court and the Results of the voting of meeting have been placed before the Hon'ble Bombay High Court in sealed cover. The matter is *sub-judice* before the Hon'ble Bombay High Court. Authum (AAIL) filed an appeal before the Hon'ble Supreme Court against the order of BHC. The matter was listed for hearing on 31st January,2023. The matter was part heard and thereafter adjourned.

6. SCR 109885 – 1/394/14 - J Patel & 68 Others (All investors of Dynamic India Fund III) Vs. Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL , before Supreme Court of Mauritius.

Current Update

Hearing for the appeal filed by the Plaintiffs, against the order dated June 03, 2022 was scheduled on May 18, 2023. The matter has now been fixed for Merits on November 16, 2023 before the Supreme Court.

Brief Background.

Suit is filed by investors seeking compensation and damages of Rs. USD 103, 699, 976 for the loss of their investments in Dynamic India Fund III from Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL.

All the Defendants including ICICI Venture have raised preliminary objections to the Suit.

DIF III has raised five preliminary objections to the Suit viz. (i) Plaintiffs have been wrongly styled; (ii) Suit is a disguised derivative action and the appropriate court to hear it is the Commercial Court and not the Civil Court; (iii) there is a connected Stay Application filed before the Commercial Court by DIF III that the Suit has to be stayed as the Suit is a Class Action suit and hence the Commercial Court and not the Civil Court has the jurisdiction to hear the Suit; (iv) the Plaintiffs should have put the other shareholders of DIF III into cause; and (v) the Plaintiffs have to provide Security for costs to all the Defendants.

The other Defendants have raised preliminary objections with respect to privity of contract and jurisdiction of Mauritius Courts.

Nearly 6 years after the Suit was filed in 2014 in Mauritius, on January 28, 2020, the court heard arguments on only two of the preliminary objections raised by ICICI Bank and ICICI Venture viz. (a) Mauritius court lacks jurisdiction to hear disputes between non-Mauritians (both the Plaintiffs and the Defendants No. 3 and 4 i.e. ICICI Bank and ICICI Venture are not Mauritius residents); and (b) Mauritius court is not the convenient forum to hear the disputes raised.

The arguments relied, amongst others, related to the facts that (a) alleged conduct of ICICI Bank and ICICI Venture did not admittedly happen in Mauritius and offences, if any, happened in India; (b) investments were in real estate projects in India; (c) investments were in a real estate fund in India; and (d) Indian law governs the contractual relationship between the parties.

By an order dated June 9, 2020 the Supreme Court of Mauritius stayed the proceedings as against ICICI Bank and ICICI Venture on the grounds that none of the allegations made against ICICI Bank and ICICI Venture occurred in Mauritius and hence the courts in Mauritius lack jurisdiction to adjudicate such allegations. In the subsequent hearing on July 1, 2020, the Plaintiffs informed the Court of their decision not to appeal against the order staying the proceedings as against ICICI Venture and ICICI Bank. The proceedings would continue against the other Defendants viz. DIF III, IFS and the Trustee.

The Supreme Court of Mauritius vide its order dated the 3rd June, 2022 have deleted ICICI Bank and ICICI Venture Fund Management Company Ltd. from the array of the parties allowed to continue the case against Dynamic India Fund III, SANE Mauritius and the WITECO now ITSL.

The Plaintiffs have filed an appeal against the said Judgement dated the 3rd June, 2022 passed by The Supreme Court of Mauritius.

ICICI Venture Fund Management Company Ltd. is taking care of the matter on behalf of ITSL as a Trustee and also appointed Counsels to defend ITSL. We have taken up the matter with the ICICI Venture stating that WITECO now ITSL is also not a Mauritius resident and Mauritius court is not the convenient forum to hear the disputes raised and hence lacks the jurisdiction. Further, ITSL is acting only as a trustee and there cannot be any claim against ITSL at all as ICICI Venture Fund Management Company Ltd. was Investment Manager of the Fund who has managed all affairs of the Fund.

7. Pawan Kapoor & Anr. Vs. SEBI & Ors.(Karvy Data Management Services Ltd) –

Current Update.

The matter has been listed on 25/09/2023.

Brief Background.

In the case of Karvy Data Management Services Ltd ; one Pawan Kapoor & Amri Resorts Pvt. Ltd. the Debenture Holders have filed Writ Petition before Delhi High Court, inter alia against ITSL alleging various non compliances by ITSL and for not initiating action against Karvy Data Management Services Ltd. for defaults in payment of interest & Principal. The matter was listed before Hon'ble Delhi High Court on 19.12.2022. The Hon'ble Delhi High Court has directed Ministry of Corporate affairs to investigate in the complaint and provide report. The matter has been listed on 25/09/2023.

8. Varsha Vikram Modi Vs. ITSL, RHFL & SEBI. (Writ Petition No.348 of 2023) before Bombay High Court.

Current Update.

The Bombay High Court vide Order dated the 4th September, 2023 has directed the Petitioner to pursue the cause as espoused in the present proceedings before the NCLT, before which today the proceedings are informed to be pending. All rights and contentions of the parties in that regard are expressly kept open. In so far as the representations made by the petitioner to the SEBI are concerned, so far, SEBI has not informed the petitioner of any decision in regard to such representations. Learned counsel for respondent no.3 submits that such representations have been closed.

We are not aware as to what is the nature of the decision taken by the SEBI in regard to the petitioner's representations. If the representation is not decided, the SEBI is requested to consider the petitioner's representations and inform the petitioner of the reasoned decision on the plea as raised by the petitioner in the said representations as the law would mandate. **Let the SEBI inform the petitioner of the reasoned decision within a period of four weeks from today.**

In our opinion, the issues as urged in the present proceeding which is filed under Article 226 of the Constitution of India cannot be taken any further. We leave the petitioner to pursue such appropriate remedy as available in law. Accordingly dispose of this petition in the above terms, keeping open all contentions of the parties. No costs.

Brief Background.

One Ms. Varsha Modi, Debenture Holder of RHFL has filed captioned Writ Petition against ITSL impleading RHFL & SEBI praying for the following reliefs:-

1. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to quash or cancel the Registration Certificate of ITSL the Respondent No.1, issued by SEBI the Respondent No.3.

2. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct the SEBI the Respondent No.3 to take action & conduct enquiry on the basis of complaint dated the 28th May,2022 lodged by the Petitioner with SEBI.
3. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct RHFL to pay the amount of Rs.4.5 crore to the petitioner with respect to the NCDs issued by RHFL.
4. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct ITSL to deposit a sum of Rs.4.5 crores with Prothonotary and Senior Master of the Court.
5. Payment of costs & any other relief as may be deemed fit & proper.

Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd.(AII) Vs. R.K.Mohtta Family Trust & Ors, Supreme Court vide their Order dated the 3rd March,2023 allowed the Resolution Plan filed by AII and directed AII to make the payments prior to 31st March, 2023.

Details of the Payment made to her are as follows, Her original holdings were 39*500000 = 19500000. Her payment amount is under 27.71%

SR NO	CLIENT_REF	BENEF_DESC	CLIENT_ACC_NO	UTR_NMBR UTIB0000741 RTGS	INST_A MNT	INST_DATE	BENEF_AC C_NO
122	INE217K07AY8	VARSH A VIKRA M MODI	000412500002 2729	IBKLR6202303 3101604259	54,02,62 8.31	31/03/2 023	914020028 858647

9. Mr. Kamalakar Babu Alias Baburao Patil & Others and ITSL & Others

Current Update.

We have engaged Dhaval Vussonji & Associates as our Advocate. The matter was listed on 29.08.2023 before the Thane District Court at Sr No.94, wherein they appeared on our behalf .

Advocate Jadhav for Defendant No.8 & 9 appeared and filed their Written Statement, copies of the same were not available, the Advocate for Defendant assured to serve a copy upon us within a period of 2 days. However, as the Advocate for Plaintiff was not present the matter was kept back. Later on, the matter was again called out when Advocate Mayuresh Datar appeared on behalf of Plaintiff, the matter was simply adjourned to 23.10.2023.

Brief Background.

One Kamalakar B. P has filed declaratory civil suit bearing No 226/2023 of which we have received notice from court of civil judge (Senior Division) Thane on 28/07/2023. The suit is basically for declaration of deed of mortgage dated 15/06/2021 executed by defendant no. 2 to no.7 in favour of ITSL as defendant No 1 as void, illegal, invalid, non-est, not binding on the plaintiffs together with relief for permanent injunction from entering into the suit property, selling in auction and/or agreeing to sale in auction the suit property under the garb or colour whatsoever. The plaintiff has also prayed for temporary injunction from selling of the suit property.

10. Contempt Petition (Civil) No.953 of 2023 in Civil Appeal No. 1581 of 2023- Praduman Tondon & Ors. Vs.Sanjay Soumitra Dangi & Ors. (Authum/RHFL case) before Supreme Court of India.

This Contempt petition has been filed against Order dated the 3rd March, 2023 passed by Hon'ble Supreme Court of India. The case of the Petitioners is that the cut-off date of 15th April 2022 for voting on the Resolution Plan and the Distribution Mechanism was not known. The matter is likely to be listed on 22/09/2023. We have engaged Shardul Amarchand Mangaldas & Co Advocates & Solicitors to represent ITSL before the Supreme Court.

Risk Factors

Risks Related to IndInfraVIT's Organisation and Structure

1. IndInfraVIT Trust (IndInfraVIT / Trust) has in the recent past incurred significant indebtedness, the terms and conditions of which, with any changes in macroeconomic parameters could be considered to impose restrictions which may affect Trust's ability to conduct its business.
2. The Loans from banks & Financial Institutions (ICICI Bank Limited, State Bank of India, Kotak Bank, Axis Bank Limited and India Infrastructure Finance Company Limited) at the Trust level accrue interest at variable rates and any increase in such interest rates will increase the cost of borrowings of IndInfraVIT and consequently may affect the overall returns.
3. Traffic Assessment reports may not have fully factored the impact on account of newly proposed and upcoming highways, acting as competing facilities and consequently their negative impact on our project stretches might not have been correctly estimated.
4. Intentional / unintentional actions such as cyber-attacks, ransomware attacks, human errors, data leakages, etc. could result in data security breach / collapse of the information technology infrastructure. This could pose various risks to our business such as impact on business continuity, loss of revenue, failure of process controls, compromise of sensitive data (external as well as internal), reputational loss, inability to meet legal and regulatory requirements, etc.

Risks Related to IndInfraVIT's Business and Industry

1. IndInfraVIT's rights are subordinated to the rights of secured creditors, debt holders and other parties, if any, specified under the Indian Law in the event of insolvency or liquidation of any of the Project Companies.
2. Two of the Project Companies have entered into Concession Agreements with Governments of Karnataka and Maharashtra. These concession agreements are not necessarily structured on Model Concession Agreements and may contain many onerous conditions and provisions. Failure to comply with the same could result in adverse consequences, including penalties and the substitution of the concessionaire by the Concession granting authority(s). There could be risks of subsequent legislations being introduced in the project by the State Authorities.
3. Toll rates are determined under the provisions of the Concession Agreements and may not protect the Project Companies against abnormal increases in operating expenses and in turn might reduce the returns to the Unitholders.
4. The Project's revenues from tolls are subject to significant fluctuations due to change in traffic volumes, mix of traffic, decline in traffic volumes and/or changes in traffic mix could adversely affect their business prospects, financial condition, results of operations and their ability to make distributions.
5. Leakage of revenue may adversely affect the Project Companies' revenues and earnings.
6. The Project Companies have a limited period to operate the Projects as the concession periods granted to the Project Companies is for a fixed period.
7. Notwithstanding the concession periods granted to the Project Companies are fixed, concession periods may be modified/ reduced under certain circumstances and this could affect the Project Companies revenues.
8. The Concession Agreements may be terminated prematurely under certain circumstances.

9. The Project Companies may be required to incur capital expenditure due to capacity augmentation obligations or under Change in Scope rights with the Authorities, under the respective Concession Agreements.
10. The Project Companies, which are responsible for the operation and maintenance of the Projects, may be directed by the relevant Concessioneing authority to undertake, and the Project Companies will be obliged to perform, such additional construction work.
11. There may be an adverse impact on Krishnagiri Walajahpet Tollway Private Limited (KWTPL's) financial condition in case the Project Company is not able to complete the Balance work specified by the Concessioneing Authority inspecified time and projected costs.
12. Newly constructed roads or existing alternative routes may compete with the Projects and result in the diversion of the vehicular traffic and consequently there could be reduction of tolls that the Project Companies can collect. Emerging alternate modes of transport may also have an impact on relevant project revenues.
13. Beawar Pali Pindwara Tollway Private Limited (BPPTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL) & Hyderabad-Yadgiri Tollway Private Limited (HYTPL) is required to pay annual premiums to National Highway Authority of India (NHAI) in consideration for being granted the right to build and operate the BPPTPL, SUTPL & HYTPL Projects. Failure to make such payments could result in the termination of the relevant Concession Agreement by the Authority.
14. Special Purpose Vehicles (SPVs) having premium deferment duly approved by NHAI, may face further stress due to firm repayment obligations despite shortfall in traffic revenues, reduction in traffic due to impact on industries post COVID as well as delays/refusal to award compensation across industry for reduction in revenues due to COVID.
15. An inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the Project Companies.
16. Failure to comply with and/or changes in safety, health and environmental laws and regulations in India may adversely affect the business, prospects, financial condition, and results of operations of the Project Companies.
17. The current insurance coverage for the Projects may not protect the Project Companies from all forms of losses and liabilities associated with their businesses.
18. The rates of insurance premium might be significantly increased by the Insurers, and this would negatively impact the profitability of Project Companies.
19. The business and financial performance of IndInfravit, the operations of the Projects and any future Projects that the Trust might acquire are significantly dependent on the policies of, and relationships with various government entities in India and could be affected, if there are adverse changes in such policies or relationships.
20. Projects awarded to the Project Companies might be subject to legal or regulatory actions and the Project Companies may be required to incur substantial expenses in defending any such actions and there is no assurance that the Project Companies will be successful in defending the aforesaid actions.
21. The Project Companies, parties to IndInfravit and their respective associates are involved in legal proceedings, which if determined against such parties, may have an adverse effect on the reputation, business and results of operations of IndInfravit.

22. IndInfravit may not be able to acquire investible road assets or have agencies to efficiently manage road assets it may acquire in the future.
23. The Project Companies depend on their sub-contractors to operate and maintain the Projects. Any delay, default or unsatisfactory performance by its sub-contractors could adversely affect the Project Companies' ability to effectively operate or maintain the Project.
24. The Project Companies may be held liable ultimately for the payment of wages to the contract labours engaged indirectly in the operations of IndInfravit.
25. The results of operations of the Project Companies could be adversely affected by strikes, work stoppages or increased wage demands in the region.
26. The Project Companies have experienced losses in previous years and any losses in the future could adversely affect IndInfravit's business, financial condition, the results of its operations, its ability to make distributions and the trading price of the Units.
27. Contingent liabilities could adversely affect the Project Companies financial condition.
28. IndInfravit derives a large part of revenues from the BPPTPL, Krishnagiri Thopur Toll Road Private Limited (KTTRPL) & KWTPPL Projects.
29. The Project Companies may be required to pay additional stamp duty, if any, Concession Agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.
30. IndInfravit must maintain certain investment ratios which may pose additional risk.
31. Increase in overloading norms by NHAI for MAV, 3AV may impact the traffic in the projects which may lead to decrease in Toll Collections and also damage to the pavements. Change in interpretation of computation of target traffic calculations by various different officials may impact concession period.
32. Development of dedicated railway corridors may impact the revenues in the projects where the commercial traffic is substantially high.
33. Ban on Sand mining / stones and other minerals in some of the states at regular intervals may impact the revenues of the projects.
34. Non-payment of annuity at regular intervals on the due dates and / or deductions in annuity by concession authority.
35. Non-compensation of COS or O&M cost & finance cost reimbursement from NHAI as per concession agreements on account of political force majeure clause may impact the financial ability of the project to perform the maintenance obligations and financial commitments as per facility agreements.
36. There are no industry relevant integrated or comprehensive laws or statutes pertaining to ESG prevalent in the country.
37. The Valuation Report of RBSA Valuation Advisors LLP is not an opinion on the commercial metrics and structure of the Trust, nor it is an opinion, express or implied, as to the trading price of Units or the financial condition of IndInfravit Trust, and the valuation of the Project Companies contained in such Valuation Report may not be indicative of the true value of the Project Companies.

38. The SPVs (assets of the Trust) rely on vendors, contractors and their off-roll employees for fulfilling obligations under the Concession Agreements. Compliances to Corporate Governance, Statutory and Regulatory requirements are also obligated to be met by these agencies. Socio-economic, geopolitical and regional risks may affect attrition rates across vendors leading to loss of trained and aware workforce and loss of capacity building. These affect performances, lead to abortive training efforts, exposures to full compliances to established Operations Management systems, ABC, EHS, Regulatory compliances which may get affected due to uncertainties and inconsistencies.
39. The SPVs (assets of the Trust) may be exposed to litigation risks. These litigations may not be triggered by or against the SPVs directly; but could be made party to litigations between third parties and sponsors or other stakeholders. Litigations entail legal resources, costs and investment of management bandwidth besides award outcome risks of the litigations.
40. Disputes with erstwhile sponsors of some of the SPVs in satisfactory address of the open punch list items and rectifications of pavements maintenance work may lead to litigations and need for rectification measures by the projects themselves until the disputes are resolved. These could entail cashflows for litigations.
41. The delay in policy approval and decision-making is due to the increase in the Concession Period for the impact on traffic under lockdowns and proviso of target traffic. Despite predictions from industry experts, the passionate construction of industry corridor projects, green highways and expressways may have an impact on the in-scope traffic as well as network moving of traffic for the business.
42. The traffic, revenues and profitability remain dependent on the macro-economic environment including GDP growth, growth of industries in the catchment area, interest rate and inflation rate.
43. Operational risks include income shortfalls, higher-than-anticipated maintenance costs, and an increase in maintenance intervals as a result of numerous circumstances. Additionally, there is a resource risk associated with the performance of purchased goods, delays in material supply, the use of unskilled labour by vendors, and regular equipment shortages.
44. Integration of new assets bring challenges related to the alignment of technical systems and policies.
45. The global conflicts ongoing and emerging like Ukraine Russia war etc. may put continuing pressure on commodities and imports thereby increasing cost and returns. There would be risk of availability of crude and bitumen imports.

Risks Related to IndInfravit' s relationship with the Sponsor, Project Manager and Investment Manager

1. The inability to retain or replace certain personnel at the Investment Manager or the Project Manager level could adversely affect the overall performance of IndInfravit.
2. IndInfravit may not be able to successfully fund future acquisitions of new Projects due to the unavailability of debt or equity financing on acceptable terms, which could impede the implementation of its acquisition strategy and negatively affect its business.
3. Parties to IndInfravit must comply with the eligibility criteria under Regulation 4 of the InvIT Regulations. The registration of IndInfravit may be cancelled if IndInfravit is not able to ensure ongoing compliance with the InvIT Regulations by the Trustee, Sponsor, Investment Manager and Project Manager(s).
4. The interests of the Unitholders, the Sponsor as a Unitholder, CPP-PHI-3 and CPP-PHI-4 and/or its affiliates may be different.

5. There are potential conflicts of interest between IndInfravit, the Sponsor and the Investment Manager.
6. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Investment Manager and IndInfravit.
7. The use of additional leverage by the Investment Manager and IndInfravit are subject to risks.
8. Disputes between the Project Manager and Investment Manager on contractual obligations, may lead to delay in providing the required support to project SPV's.
9. Inadequate Manpower of Project Manager may also affect the smooth operations of the projects.

Related Investment in the Units

1. The regulatory framework governing Infrastructure Investment Trusts in India is recent and its interpretation in terms of the reporting requirements and other obligations imposed on Infrastructure Investment Trusts may involve legal uncertainties, increase compliance costs and thereby adversely affect the business, financial condition, and results of operations of IndInfravit.
2. The ability of IndInfravit to make or maintain consistency in distributions to Unitholders depends on the financial performance of the Project Companies and their profitability.
3. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies could affect the foreign currency equivalent of the value of the Units and consequently any distributions.
4. Some decisions on matters relating to the management of IndInfravit are subject to Unitholders' approval, which if not obtained, could lead to adverse effect on IndInfravit's business.
5. Unitholders will have no vote in the election or removal of Directors and the Investment Manager, and will be able to remove the Investment Manager and Trustee, only pursuant to a majority
6. The price of the Units may decline.
7. It may be difficult for IndInfravit to dispose of its non-performing assets.
8. The Units are not actively traded and as such may not result in an active or liquid market for the Units.
9. Market and economic conditions may affect the market price and demand for the Units.
10. The rights of the Unitholders to recover any claims against the Project Manager(s), Investment Manager and the Trustee may be limited.
11. The proceeds from a termination of a Project Company of IndInfravit, may be less than the amount invested by investors in the Issue.
12. Information and other rights of Unitholders under Indian Law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.
13. IndInfravit has a limited number of listed peers undertaking similar lines of business for comparison of performance and therefore investors must rely on their own examination of IndInfravit for the purposes of investment in the Issue.

Risks relating IndInfravit's Tax Position

1. IndInfravit may be subject to withholding, financial penalties and other sanctions under the United States Foreign Account Tax Compliance Act, the Common Reporting Standard and other similar exchange of tax information regimes.
2. Entities operating in India are subject to a variety of government and state government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect IndInfravit's business.
3. Indian tax laws are subject to changes and differing interpretations which may materially and adversely affect the operations of IndInfravit.
4. The Project Companies enjoy certain benefits under Section 80-IA of the IITA in relation to the projects and any change in these tax benefits may adversely affect its results of operations.
5. Investors may be subject to Indian taxes arising out of capital gains on the transfer/ redemption of the Units. Dividend component of return from the units may be taxed in the hands of the investors if the underlying Project Companies have opted for concessional corporate tax rates under section 115BAA of the Act.
6. The income of IndInfravit in relation to which pass through status is not granted under the IITA may be chargeable to Indian taxes in the hands of IndInfravit.
7. The Project Companies may be claiming tax depreciation / amortization on the road constructed on a BOT basis. As per CBDT circular no. 9 of 2014, the claim of depreciation may not be allowed on the cost of road assets constructed on BOT basis. However, amortization of the cost over the life of concessionaire agreement should be allowed.
8. The Government of India has implemented General Anti Avoidance Rules ('GAAR') effective from 1 April 2017. Multilateral Instrument ('MLI') shall have effect from 1 April 2020 on tax treaties entered into by India, subject to satisfaction of the prescribed conditions. Given the recent introduction of these legislations, there can be no assurances as to the manner in which these tax regimes will be implemented / interpreted, which could create uncertainty, and may result in an adverse effect on our business, financial conditions, results of operations and / or prospects and our ability to make distributions to the unitholders.
9. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.
10. Delays in capitalising for increasing cost and tax may impair returns.

Risk Relating to India

1. Changes in legislation or the rules and regulations in India could adversely affect IndInfravit's business, prospects and results of operations.
2. IndInfravit and/or the Project Companies may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect their business.
3. Political instability or changes in the economic policies by the Gol or the governments of the states in which the Project Companies operate could affect the financial results and prospects of IndInfravit.

4. Significant differences could exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which may affect investors' assessments of IndInfravit's financial condition.
5. Any downgrading of India's debt rating by an international rating agency could have an adverse impact on the businesses of the Project Companies.
6. A slowdown in economic growth in India could adversely affect the business of the Project Companies.
7. Significant increases in the price of or shortages in the supply of crude oil could adversely affect the volume of traffic on the Projects and the Indian economy in general, including the surface transportation infrastructure sector, which could have an adverse effect on the Project Companies' business and results of operations.
8. High inflation or deflation in India could have an adverse effect on the Project Companies' results of operations and financial condition.
9. Unitholders may not be able to enforce a judgment of a foreign court against IndInfravit or the Investment Manager.
10. Economic developments and volatility in securities markets in other countries may also cause the price of the Units to decline.
11. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have an adverse effect on the business, financial condition and results of operations of the Project Companies and the price of the Units.
12. India is vulnerable to natural disasters that could severely disrupt the normal operation of the Project Companies.
13. An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect the business of IndInfravit.
14. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect the financial condition of IndInfravit.
15. Under Indian Law, foreign investors are subject to investment restrictions that limit IndInfravit's ability to attract foreign investors, which may adversely affect the trading price of the Units.