NHIT
National Highways Infra Trust



#AGILITY
#SUCCESS

THE THOUGHT PHILOSOPHY

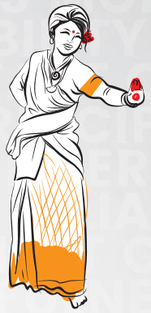


Bharatnatyam
(Karnataka)

An organization excelling in Infrastructure Investment Management, NHIT spreads its wings across the length & breadth of India. While NHIT's geographically diverse portfolio, paves way to connect with the rich culture & heritage of different parts of the country, it also throws open a canvas to be painted with inspirations from the wonderful voyages. And what better way, than to paint that canvas with different local art forms.

For ages, local dances have been the true depiction of a place's unique art, its rich cultural heritage and deep-rooted traditions. Connecting them with NHIT's assets, gives us an opportunity to get a unique dance form to represent each location. Thus, to portray the presence of NHIT while traversing across the length & breadth of the nation, distinct dance forms of India have been picked to be the visual theme of this annual report. Moreover, depicting the nation's cultural harmony, with ethereal Women at the heart of it, these different dance forms also become an ode to NHIT's constant endeavors for Women Empowerment.

Apart from the dance forms forming the visual elements, the design also has a word cloud background created with words that represents NHIT's core value. Thus, creating a mesmerizing ensemble that is sure to render a unique cultural connect and open gateways to explore the varied shades of India.



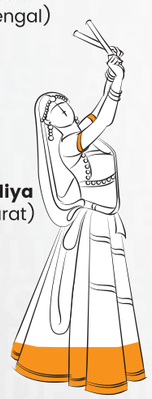
Bihu
(Assam)



Ghoomar
(Rajasthan)



Dhunuchi
(West Bengal)



Dandiya
(Gujarat)



Kalbelia
(Rajasthan)



Kathak
(Uttar Pradesh)



Lavani
(Maharashtra)



Kuchipudi
(Telangana)

QUICK FACTS

~ 1,525 Kms
Operating Portfolio

15 Toll Roads in 9 States
Assets

Dec 16, 2021
Commencement of Operations

~ ₹ 28,000 Crs
Enterprise Value

₹ 13.76 / unit
Cumulative Distribution since listing

~ 15.00%*
Annualized Return incl. Capital Appreciation and Distribution Yield

0.43x
Debt / EV Ratio

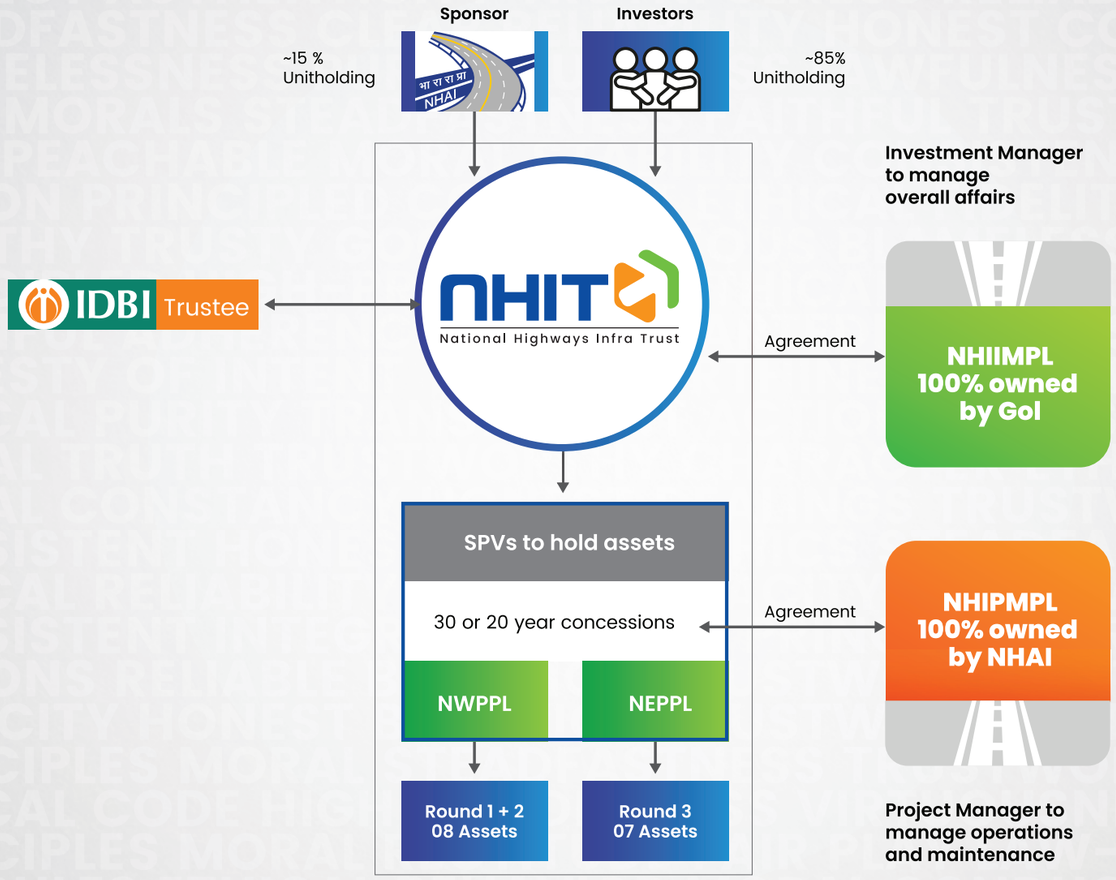
AAA Rating by CARE and India Ratings
Credit Rating

Maturity upto 2047
Coupon 7.90% p.a.#
Public Issue of Bonds

Over 10,000 Bond holders
Retail + Institutional

* As of March 31, 2024
\# Payable semi annually

TRUST STRUCTURE



NHIIMPL: National Highways Infra Investment Managers Private Limited
NHIPMPL : National Highways InvIT Project Managers Private Limited
NWPPL: NHIT Western Projects Private Limited
(formerly known as National Highways Infra Projects Private Limited)
NEPPL: NHIT Eastern Projects Private Limited

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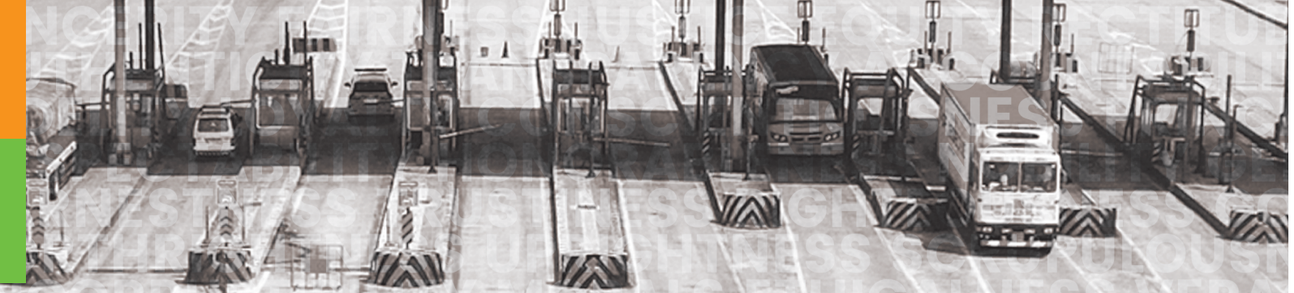


CORE VALUES

Excellence:
The commitment to exceptional quality and high standards.

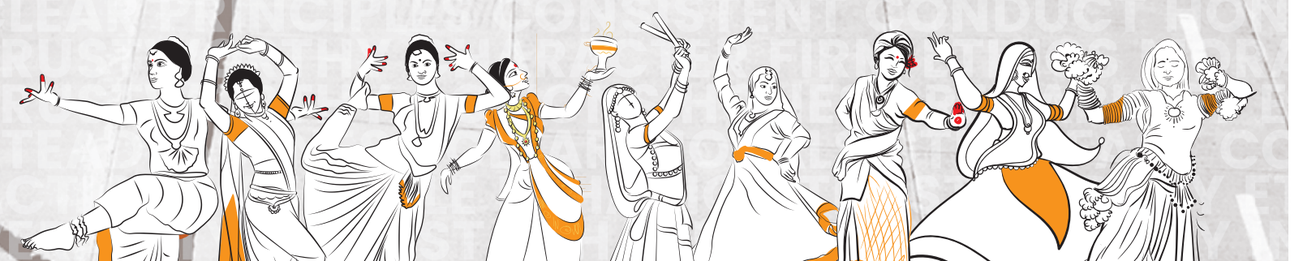
Collaboration:
Work cohesively to promote teamwork, communication and shared goals, leading to innovation, creativity and effective problem-solving.

Accountability:
Promoting responsibility, transparency and ownership of actions and decisions.

Continuous Learning:
The commitment to growth, development, and adaptability through continuous learning mindset.

Agility
Being nimble to adapt to changing circumstances and opportunities, and to be flexible and responsive.

Integrity
The adherence to ethical behavior, honesty, and transparency in all actions and decisions, fostering trust and positive reputation.





Vision

Excellence In Infrastructure Investment Management And User Experience

Mission

Pursue Continuous Improvement, Prioritising Sustainability, Road User And Community Well Being

CORPORATE OVERVIEW

National Highways Infra Trust

Registered Office
G - 5 & 6, Sector 10, Dwarka, New Delhi - 110075
SEBI Reg. No.: IN/InvIT/20-21/0014
Tel: +91 11 25076536 | E-Mail: nhit@nhit.co.in
Website: www.nhit.co.in

Investment Manager

National Highways Infra Investment Managers Private Limited
CIN: U65929DL2020GOI366835

Registered Office
G - 5 & 6, Sector 10, Dwarka, New Delhi - 110075
Tel: +91 11 25076536 | E-Mail: nhiimpl@nhit.co.in

Corporate Office (Delhi)
Unit No. 324, 3rd Floor, D-21, Corporate Park,
Sector 21, Dwarka, New Delhi - 110077

Corporate Office (Mumbai)
609, Plot No. C-63, G-Block, A Wing,
6th Floor, INS Tower, Bandra Kurla Complex,
Bandra East, Mumbai - 400051

Trustee of the Trust

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor,Sir Phirozshah Mehta Road,
Fort, Bazargate, Mumbai - 400001
Tel: +91 11 4513 8885, 8097 474712
Fax: +91 22 6631 1776
E-Mail: delhiitsl@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Deepak Kumar/
Mr. Mahendra Singh Chouhan

Bankers/ Lenders

State Bank of India
Axis Bank
Bank of Maharashtra

Statutory Auditors

M/s A.R. & Co., Chartered Accountants
A-403, Gayatri Apartment, Airlines Group Housing
Society, Plot No 27, Sector - 10, Dwarka,
New Delhi - 110075
Tel: 9810195084, 9810444051
E-Mail: ar_co1981@yahoo.co.in,
pawankgoel1@gmail.com
Contact Person: CA Pawan K Goel
Firm Registration No.: 002744C
Peer Review Certificate no: 011988

Compliance Officer

Ms. Gunjan Singh

Board Of Directors

- Mr. Suresh Goyal, Managing Director & CEO
- Mr. Shailendra Narain Roy, Independent Director
- Mr. Mahavir Parsad Sharma, Independent Director
- Mr. Sumit Bose, Independent Director
- Mr. Pradeep Singh Kharola, Independent Director
- Ms. Usha Rao Monari, Independent Director
- Mr. N R V V M K Rajendra Kumar, Nominee Director
- Mr. Vinay Kumar, Nominee Director
- Mr. Pushkar Kulkarni, Unitholder Nominee Director
- Mr. Debapratim Hajara, Unitholder Nominee Director

Securities Information (Units)

BSE LTD.: 543385
NSE LTD.: NHIT
ISIN: INE0H7R23014

NCD's ISIN

STRPP A: INE0H7R07017
STRPP B: INE0H7R07025
STRPP C: INE0H7R07033

Registrar and Transfer Agent

KFin Technologies Limited
Selenium, Tower B, Plot No. 31 & 32,
Financial District Nanakramguda, Serilingampally
Hyderabad, Rangareddi 500 032 Telangana, India
Tel: +91 40 6716 2222 | Fax: +91 40 2343 1551
E-Mail: nhai.invit@kfintech.com
Investor Grievance E-Mail: einward.ris@kfintech.com
Website: www.kfintech.com
SEBI Registration No.: INR000000221

Debenture Trustee

SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400020
Tel: +91 22 4302 5500/ 66
E-Mail: dt@sbicaptrustee.com
Investor Grievance
E-Mail: investor.cell@sbicaptrustee.com
Website: www.sbicaptrustee.com
Contact Person: Jatin Bhat
SEBI Registration No.: IND000000536
CIN: U65991MH2005PLC158386

Key Managerial Team/ Personnel

- Mr. Suresh Goyal
  Managing Director & Chief Executive Officer
- Mr. Mathew George
  Chief Financial Officer
- Ms. Gunjan Singh
  Company Secretary & Compliance Officer

Valuer

RBSA VALUATION ADVISORS LLP
Unit No. 1121, 2nd Floor, Building No. 11,
Solitaire Corporate Park,
Guru Hargovindji Road, Chakala,
Andheri East, Mumbai - 400093
Tel: +91 22 6130 6000
E-Mail: ravishu.shah@rbsa.in
Reg No.: IBBI/RV-E/5/2019/110







INVESTMENT MANAGER'S BRIEF REPORT OF ACTIVITIES OF THE TRUST

National Highways Infra Trust ("the Trust") was set up by National Highways Authority of India (NHAI) ("the Sponsor") on 19th October, 2020, as an irrevocable infrastructure trust under the provisions of the Indian Trusts Act, 1882.

The Trust was registered as an infrastructure investment trust on 28th October, 2020, under the SEBI (InvIT) Regulations, 2014, having registration number IN/InvIT/20-21/0014.

The Investment objectives of the Trust are to carry on the activities of, and to make investments, as an infrastructure investment trust, as permissible in terms of the applicable law.

The NHIT Western Projects Private Limited ("NWPPL" or "Project SPV-1") (formerly known as National Highways Infra Projects Private Limited) ("SPV to the Trust") has entered into five concession agreements with NHAI on 30th March, 2021 for Tolling, Operation, Maintenance and Transfer of five toll road projects for a period of 30 years from the Appointed date under these concession agreements, i.e. 16th December, 2021.

The NWPPL further signed three new concession agreements with NHAI on 26th September, 2022 for Tolling, Operation, Maintenance and Transfer of three toll road projects for a period of 20 years from the Appointed date under these concession agreements, i.e. 29th October, 2022.

The NHIT Eastern Projects Private Limited ("NEPPL" or "Project SPV-2") was incorporated as on 19th April, 2023, as a Special Purpose Vehicle of NHIT. NEPPL has entered into 7 (Seven) independent concession agreements with NHAI for Tolling, Operation, Maintenance and Transfer of 7 (Seven) toll road projects for a period of 20 Years years from the Appointed date under these concession agreements, i.e. 1st April, 2024.

For more details on these toll road projects, please refer the section overview of asset portfolio on page no. 35

> Alone, we can do so little; together, we can do so much
>
> - Henry Ford



NHAI CHAIRPERSON'S MESSAGE

Dear Unitholders,

India's economy is on a steady growth trajectory and projected to become the 3rd largest economy in the world with a GDP of USD 8 trillion by 2030 and eventually to USD 30 trillion by 2047. This economic growth is intrinsically linked to the development of the country's infrastructure sector. Infrastructure development is not only a reflection of economic progress but also a catalyst for growth, playing a crucial role in improving the quality of life of citizens, enhancing productivity, and providing a platform for innovation and entrepreneurship.

India has an ambitious vision for 2047, the year it will celebrate 100 years of independence. The vision includes transforming the nation into a developed country with world-class infrastructure and facilities. The Ministry of Road Transport and Highways (MoRT&H) under Government of India is developing the Vision 2047 Master Plan for the construction of National Highways and Expressways. This ambitious plan aims to ensure equitable access to high-speed corridors within 100 to 150 km across India. Implementation of Vision 2047 Master Plan for Highways Sector will create a steady pipeline of investible opportunities in the sector.

National Highways Authority of India continues to lead the way in developing highways across our nation. With a commitment to our motto, *"Building a Nation, Not Just Roads"*, NHAI plays a crucial role in fostering economic growth and enhancing the country's infrastructure framework, paving the way for rapid and sustainable development.

The establishment of National Highways Infra Trust ("NHIT") marked a significant milestone in the journey of the NHAI towards monetizing highway assets and attracting private investment into the road sector. Within a short span of 3 years, NHIT has established itself as a leading player in the roads sector and has successfully met expectations of its diverse set of stakeholders. This year has been a transformative period for NHIT, as it achieved several successes, including, concluding the largest ever fund raising in the Indian roads sector. Its unwavering focus not only on performance but also on other factors, including governance, health & safety and sustainability, gives us confidence that it will continue to serve your interest in the years to come.

I extend my heartfelt gratitude to all the unitholders and other stakeholders for their unwavering support to NHIT. Your commitment has been instrumental in NHIT's success and will continue to drive us towards greater achievements. Together, let us pave the way for a brighter, more connected future.

Yours sincerely

Santosh Kumar Yadav, IAS
Chairman, NHAI

> "Opportunities don't happen, you create them"
>
> -Chris Grosser



CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear Unitholders,

It is with immense pride and gratitude that I address you in our third annual report. This year NHIT has continued to build on the success of its past efforts, while continuing to grow and more than double its portfolio. In achieving this, it has exemplified our theme of 'Agility and Success', as we navigated the dynamic landscapes of investment and asset management with unprecedented efficacy.

A high point of the success was the acquisition of assets worth ~₹ 16,200 crore comprising seven roads from our sponsor, NHAI, under the National Monetisation Pipeline. To achieve this, NHIT successfully raised funding in a time bound manner from lenders and investors at a premium of ₹ 1.28 per unit over NAV of ₹ 122.86. These new roads have expanded NHIT's portfolio to 15 toll roads spanning approximately 1,525 km across nine states and diversified across traffic categories and commodities. Thus, offering an effective proxy to India's GDP to investors and lenders. This expansive reach not only strengthens our asset base but also amplifies our impact on national connectivity and economic growth.

Our journey since maiden listing in November 2021 has been remarkable. The NAV has increased from list price of ₹ 101 per unit to ₹ 124.75 as of March 31, 2024. In addition, NHIT has cumulatively distributed ₹ 13.76 per unit over this period. The investor base has expanded by 6.6 times with significant increase in participation from new investor classes such as domestic pension and provident fund trusts and wealth managers. The growth in investor base is a clear indication of the market's confidence in our operational performance and future potential. In this journey, we have received unwavering commitment from our large investors, including CPP Investment Board Private Holdings Inc., Ontario Limited and State Bank of India Group in all the three rounds of fund raising.

The business continues to build capabilities in the areas of operations and maintenance to improve the user experience. We are investing significant efforts to improve the Environment, Social and Governance standards of our roads. As a first step, we have commenced measurement and transparent reporting of various important parameters that underpin the ESG framework. We have drawn up a strategy to improve upon these parameters and have implemented several steps during this year, including Reduction in CO2 footprint, usage of renewable energy and conservation of natural resources (fossil fuel and water). We believe that our leaders at the ground, i.e. Project Managers of the various roads are the real change-makers. To train them to handle this transformation and endow them with new skills, they are being provided continuous training, including through a year-long program designed in collaboration with Department of Engineering Design from Indian Institute of Technology, Madras.

We believe that living harmoniously with the communities that we serve is essential for us to operate sustainably. In this regard, we have identified several short and long term community engagement programs at each of our toll plazas. In our experience, the initiatives implemented last year, have helped build mutual trust and foster well-being of the communities.

We are also investing into technology in the areas of data analytics, creating digital twins of our assets, and build tools for predictive maintenance. The fruits of these efforts will bear in the future, but it is our firm belief that these investments will build resilience in our business and create a long term value for our stakeholders.

These achievements were realized through the dedicated efforts of the employees from the Investment Manager, Project SPVs, and Project Management Company, who functioned as a cohesive and driven team. Their steadfast dedication to excellence, creativity, and enthusiasm for sustainable development have played a crucial role in propelling NHIT forward.

Our esteemed Board of Directors of the Investment Manager, have continuously supported and guided us in achieving the sustained success since inception. Under their leadership, NHIT will continue to achieve several milestones successfully. I am personally indebted for their support to me during several challenging situations.

We are immensely grateful for the support provided by our sponsor, NHAI, and the Ministry of Road Transport & Highways (MoRTH). We are thankful to Shri Anurag Jain, IAS, Secretary, MoRTH for his guidance, and extend our appreciation to Shri Santosh Yadav, IAS, Chairman NHAI, for his constant support and guidance to NHIT. Special thanks to Shri NRVVMK Rajendra Kumar, Member (Finance) - NHAI for his sustained efforts in addressing the challenges NHIT encountered throughout this significant journey. We thank Shri Amit Kumar Ghosh, IAS, outgoing Additional Secretary, MoRTH and his successor Shri Vinay Kumar, IAS, Joint Secretary, MoRTH for their valuable contributions. We also recognize the contributions from various NHAI officers, including Shri Akhil Khare, Chief Executive Officer, NHIPMI, Shri B M Rao, CGM (Finance), Shri A K Singh, CGM (Finance), Shri A K Sharma, CGM (Technical), Shri K V Singh, CGM (Commercial Operation), Shri Prashant Gawasane, CGM (CO Division), Shri Subhash Khurana, GM – F&A (Retd.), Shri D.K Chaturvedi, GM (BOT, TOT, InvIT), Shri A R Chitranshi, DGM (TOT & InvIT), Shri Anant Manohar, DGM (Finance) among others.

The past year has been a period of financial achievements and a testament to our dedication towards operational excellence and our contributions to society. I am immensely proud of everything NHIT has achieved over the years. However, I take even greater pride in the rigorous processes and unwavering commitment to business ethics that have positioned NHIT as a leader in the industry. My deepest gratitude goes out to every member of the NHIT family, our investors, and stakeholders for your trust and support. Together, we are creating a more connected and prosperous future for India.

With best regards,

Suresh Goyal
MD & CEO, NHIIMPL
Investment Manager to NHIT

> Success is no longer about changing strategies more often, but having the agility to execute multiple strategies concurrently
>
> -Pierre Nanterme



CHIEF FINANCIAL OFFICER'S MESSAGE

Dear Unitholders,

Three years and three acquisitions so far. Big achievements are the summation of good wishes and intentions properly focussed.

This year saw the largest ever single fund raiser for projects monetised through NHAI. For a fresh acquisition of over 16,000 crores, we as a team, were happy to demonstrate agility and speed, in contributing to the ambitious program set by the government while equally contributing to enhancing value to our stakeholders.

While extremely grateful to the ever-growing investor base, a special mention to the stakeholders who have demonstrated their unwavering support, NHAI (Sponsor to the InvIT), our Unitholders, Banks, financial institutions, corporates and retail investors who have invested in our debt instruments. I do truly believe that we are on our way towards enabling participation in Infrastructure growth, to the common man.

Boyed by our large investor base and keeping in mind our stated objectives, we would in the coming year, aspire to issue debt instruments, targeting the wide diaspora of Bond investors who are keen to participate in the infrastructure sector.

While continuing to surpass expectations and delivering value to our shareholders we have embarked on a journey of mindfulness with the endeavour towards process improvement and automation. Prudent financial management practices, sustainability driven worldview and a disciplined approach to risk assessment continue to be our driving motto. Accordingly, the year ahead would see responsible investments towards digital transformation and process improvements.

It is our firm belief that we do not exist in isolation, we have commenced, consciously and transparently tracking our overall sustainability scores with a view towards sustainable growth and constant progress.

Financials continue to be strong with all financial ratios and metrices as per expectations. Our well diversified portfolio of assets continues to enjoy a AAA rating both for the debt and in the Issuer Category.

While the Annual report captures the essence of our performances this past year and encapsulates a brief of our assets, we look forward to engaging with our esteemed stake holders to understand their views and suggestions on enhancing value to all stakeholders.

Sincerely,

Mathew George
CFO, NHIIMPL
Investment Manager to NHIT

BRIEF PROFILE OF THE DIRECTORS OF THE INVESTMENT MANAGER



Mr. Suresh Goyal

Mr. Suresh Goyal is the Managing Director & Chief Executive Officer of Investment Manager.

Suresh Goyal has around 30 years of experience in financial services industry, across project finance, investment banking and asset management. Over the last 17 years, he has been in asset management of infrastructure sectors including Roads, Power, Renewables, Telecom Towers and Airports. Prior to his current role, he held leadership role in Macquarie Infrastructure & Real Assets based at Singapore covering South-East Asia and India regions. He has led some transformational investments, including acquisition of first brownfield road by a financial sponsor in India, which led to opening up of the sector for institutional investors and creation of professional platforms. He was also instrumental in winning the first Toll Operate Transfer (TOT) road project in India. He has been member of several boards and has extensive experience of working with boards across various strategies, including growth, Dispute Resolution and Health & Safety etc.

Suresh is an Electrical Engineering graduate from Shri Govindram Seksaria Institute of Technology and Science, Indore. He also holds Post Graduate Diploma in Management from Indian Institute of Management, Lucknow.



Mr. Shailendra Narain Roy

Mr. Shailendra Narain Roy is an Independent Director of the Investment Manager. He holds B. Tech degree from IIT (BHU) and is a graduate of the Wharton Advanced Management Program, started his career in 1975 and spent 25 years in Bharat Heavy Electricals Ltd. He had also served as MD & CEO of a Government of India Undertaking – Bharat Heavy Plates and Vessels Ltd. that manufactures power and refinery equipment on turnkey basis.

He had worked in Larsen & Toubro Ltd. (L&T) for more than 17 years and was responsible for business operations of its the Power sector (coal, nuclear and gas-based), and Corporate Affairs. He oversaw various joint venture companies which were envisioned to cater to India's infrastructure and power requirements. Under his guidance, L&T made foray into international market, winning four gas-based projects and completing three of them in Bangladesh. He also initiated L&T's entry into development of power projects (thermal, solar & hydro), shipbuilding, substations, transmission lines, railway electrification, highways and transportation and was responsible for the growth of such new business ventures. Earlier, he spearheaded L&T Heavy Engineering and Defence and was also instrumental in driving L&T's focus towards missile, air defence, bridging systems, avionics and weapon systems, self-propelled 155 mm howitzer K9Vajra-T. He was associated with the setting up India's first ultra-supercritical thermal power plant at Khargone for NTPC, the first supercritical power plant, Nabha Power Ltd. and five supercritical power plants across the country.

He has previously served as a whole-time director of Larsen & Toubro Limited for over eight years and was Member of Board L&T and CEO & MD L&T Power.

Mr. Roy, over the years, has been the voice of the Indian industry, representing it in various forums, raising matters having national and global impact. He has been a vital part of FICCI and CII National Council - the think-tanks of Industry, presenting roadmaps of growth and development to the policy makers. He is often invited to industrial forums and conferences to share his valuable expertise, insights and strategies related to manufacturing, construction, power, and infrastructure.

He has been awarded the Udyog Rattan Award 2003 by Institute of Economic Studies. He has been conferred with the Hall of Fame Award 2016 for his outstanding achievement and commitment to development of Indian industry at 5th Annual Manufacturing Today conference. He was awarded CEO of the Year Award 2018 by Construction Times magazine. Other honours bestowed on him include the distinguished speaker award by Indo-American Chamber of Commerce (2017) and award for contribution to Planning Commission by PPMAI (2010-11). Lifetime Achievement Award 2022 from Manufacturing Today and recipient of Lifetime Achievement Award 2023 by Construction Times.

Presently he is a member of Central Vista Oversight Committee of Government of India, New Delhi with effect from 29th November, 2021.



Mr. Mahavir Parsad Sharma

Mr. Mahavir Parsad Sharma is an Independent Director of the Investment Manager. He graduated in Engineering and Law. His professional carrier started in 1985, when he joined Ministry of Road Transport & Highways (MoRTH) (the then Ministry of Surface Transport, Govt. of India). He worked at various positions in the MoRTH and National Highways Authority of India (NHAI).

He was involved in (i) consolidation of NHAI guidelines, preparation of NHAI Works Manual, preparation of bidding documents, scrutiny and approval of DPRs (ii) planning, structuring, procurement and management of Public Private Partnership (PPP) and EPC (i/c Item Rate) projects of highway sector and implementation of PPP projects and projects under FIDIC and other form of contracts.

As Member (Tech) of NHAI, he acted as repository of technical knowledge and looked after the works relating to new developments in technology, technical manuals, standards and specifications that guide design, safety etc. His duties involved planning, structuring, procurement and management of Public Private Partnership (PPP) and EPC projects of highway sector.

He worked as Chief Engineer and Additional Director General in the MoRTH, GOI. He later also worked as Technical Advisor in the Ministry of Road Transport and Highways.

BRIEF PROFILE OF THE DIRECTORS OF THE INVESTMENT MANAGER



Mr. Sumit Bose

Mr. Sumit Bose is an Independent Director of the National Highways Infra Investment Managers Private Limited. Mr. Bose joined Indian Administrative Service in 1976. He has served in various positions with the Government of Madhya Pradesh and the Government of India, retiring as the Union Finance Secretary in 2014. He has also held positions of Secretary - Disinvestment, Secretary - Expenditure and Secretary - Revenue, in the Finance Ministry, Government of India. Currently, he serves as an Independent Director on the Boards of several corporates. He is also on the board of several not for profit organisations.



Mr. Pradeep Singh Kharola

Mr. Pradeep Singh Kharola is an Independent Director of the Investment Manager. Mr. Kharola retired as Secretary Civil Aviation, Government of India, in September 2021. He was instrumental in successfully steering the aviation sector during the pandemic as also developing a new PPP model for airports. Prior to this he was the Chairman and Managing Director of Air India, whose disinvestment he is credited with. He is an IAS officer of the Karnataka Cadre. Before coming to the Government of India, he was the Managing Director of the Bangalore Metro Rail Transport Corporation where during his four years stint, he completed the first metro rail project in South India. He has held various administrative assignments, notable among them are – Principal Secretary to the Chief Minister of Karnataka, Commissioner of Commercial Taxes, Karnataka, Deputy Commissioner of Belgaum, Deputy Commissioner of Uttar Kannada District, Commissioner of Mysore City Corporation. During his tenure as Commissioner of Commercial Taxes, Karnataka he won the Prime Minister's Award for Excellence in Public Administration for Transforming the tax regime in Karnataka. He also won the National Award for e-governance for introducing the e-check posts in the State.

He was the Joint Secretary of the Second Administrative Reforms Commission of Government of India. He also worked for four years as Managing Director of the Bangalore Transport Corporation, handling the Bus transport system in Bangalore and making it the only profit making bus system in the country.

An engineer by qualification, he completed his Doctorate in "Public Transport Systems" from IIT Delhi. He holds a M.Tech Degree in Industrial Engineering from IIT Delhi and a BE Mech. Engg. Degree from SGSITS Indore. He has a Master's Degree in Development Management from the Asian Institute of Management, Philippines. He also holds a Law Degree from Karnataka Law University. He has authored several research papers published in International and National Journals.



Ms. Usha Rao-Monari

Ms. Usha Rao-Monari is an Independent Director of Investment Manager. Until July 2023, she was the Under-Secretary General of the United Nations and Associate Administrator of UNDP.

Ms. Rao-Monari has over 30 years of investment experience and has held several senior positions, particularly in the infrastructure area. She previously served as Senior Adviser to Blackstone's Infrastructure Group, as Chief Executive Officer of Global Water Development Partners, a Blackstone portfolio company, and held several senior positions, notably as Director of the Sustainable Business Advisory Group at the International Finance Corporation, part of the World Bank Group.

She has until recently served on the Boards of a number of organisations in the field of sustainable development and has held a number of Board and advisory positions in the areas of water, natural capital, biodiversity and environment.

Ms. Rao-Monari holds a Master's degree in International Affairs and Finance, School of International and Public Affairs/School of Business, Columbia University, New York, a Master's degree in Management Studies, Jamnalal Bajaj Institute of Management, Mumbai, India and a B.A. Honors Economics, Delhi University, New Delhi.



Mr. N R V V M K Rajendra Kumar

Mr. N R V V M K Rajendra Kumar is the NHAI Nominee Director on the Board of the Investment Manager. He is Member (Finance) of National Highways Authority of India. Mr. Rajendra Kumar was Chief General Manager in Reserve Bank of India. He joined Reserve Bank in 1997 and worked in areas of public debt management, payment systems, currency management, bank supervision, foreign exchange reserve management and financial markets policy. During 2005-07, he was associated with Governance Reforms Programme in the state of Andhra Pradesh, India focusing on reforms in public financial management. He holds Ph. D. in Economics from Hyderabad Central University; master's degrees in Business Administration (from Osmania University) and Public Management (from Harvard Kennedy School and Lee Kuan Yew School of Public Policy).



Mr. Vinay Kumar

Mr. Vinay Kumar is the Nominee Director of the Ministry of Road Transport and Highways (MoRTH) on the Board of the Investment Manager. He is an I.A.S. Officer of the Bihar Cadre of 1999 Batch and holds a Post Graduate Degree in Physics.

He is holding the post of Joint Secretary in the Ministry of Road Transport and Highways, Government of India and is responsible for the administration of National Highways in India (Planning, Financing, Construction and Operations) and acquisition of land for construction of National Highways.

He has worked in the State Government of Bihar in various senior positions including those of Secretary in Food & Consumer Protection Department, Department of Public Health Engineering, Rural Works Department, Animal Husbandry & Fisheries Department and Mission Director, Cabinet Secretariat Department. He has also served as the District Magistrate of several Districts in Bihar. During his service, he has received many National Level awards conferred by the Union Government of India on issues like providing connectivity to rural habitations, constructing maximum rural road length and mobilizing and motivating women learners under special programme for improving female literacy.

BRIEF PROFILE OF THE DIRECTORS OF THE INVESTMENT MANAGER



Mr. Pushkar Kulkarni

Mr. Pushkar Kulkarni is a Unitholder Nominee Director of the Investment Manger. Mr. Pushkar is an Electronics Engineer from Veermata Jijabai Technological Institute (VJTI) by profession with a Management degree from Jamnalal Bajaj Institute of Management Studies (JBIMS), Mumbai.

Mr. Pushkar's prior experience has been in Infrastructure broadly covering toll roads and traffic systems both from a technology and operations perspective. Before joining CPPIB, Pushkar was the Managing Director of Serco India with a board position. Serco was the 100% subsidiary of the British services firm Serco PLC which was at that time a FTSE 100 company. Prior to Serco, Pushkar worked for 12+ years as the CEO & Member of the Board for an Infrastructure Technology company, Efkon, (100% Indian subsidiary of Strabag, a major European Construction & Infrastructure company). During his time at Efkon, Pushkar represented India at the International Standards Org (ISO) on several technical committees responsible for standards in road & transport infrastructure. During his tenure he was involved in several M&A transactions including the disposal of Serco India post the parent company decided to exit India.

Post joining CPPIB in April 2016, Mr. Pushkar was responsible for leading the India Infrastructure team in investments and commitments in India, including investments in IndInfravit, PowerGrid InvIT and NHAI InvIT and commitment to National Investment & Infrastructure Fund (NIIF) - Master Fund. Pushkar has also been involved in furthering/supporting advocacy critical to CPPIB's pursuits (in collaboration with PAC) and representing CPPIB at various industry forums and industry associations such as Indian Venture Capital Association and APREA.



Mr. Debapratim Hajara

Mr. Debapratim Hajara is a Unitholder Nominee Director of the Investment Manager. He joined Ontario Teachers' Pension Plan in 2021 and is currently a Managing Director in the Asia Infrastructure and Natural Resources team.

Prior to that, Mr. Debapratim had 12 years of experience in infrastructure investing in India, where he was responsible for both acquisitions and asset management with a focus on the transport sector.

Mr. Debapratim serves as a director on the boards of Mahindra Susten Private Limited, National Investment and Infrastructure Fund, Sustainable Energy Infra Investment Managers Private Limited, Green Energy Infra Project Managers Private Limited and Connexa New Zealand.

Debapratim holds a postgraduate diploma in management from Xavier Institute of Management, Bhubaneswar and a Masters of Science degree in Physics from Indian Institute of Technology, Kanpur.

BRIEF PROFILE OF THE SENIOR MANAGEMENT OF THE INVESTMENT MANAGER



Mr. Mathew George

Mr. Mathew George is the Chief Financial Officer of the Investment Manager. He holds a bachelor's degree in engineering (electronics and communication) from the University of Mysore and an executive postgraduate diploma in general management from XLRI, Jamshedpur. He has also completed a global leadership development program from the Michigan Ross School of Business, and participated in a program on infrastructure development and financing at the Indian Institute of Management, Ahmedabad. In the past, besides his association with various banks, he had also been associated with the L&T group for over 12 years. In his previous capacity, he held the post of chief financial officer of LTIDPL IndvIT Services Limited, the investment management company of the first privately placed infrastructure investment trust in India. He has close to 3 decades of experience including in leading project finance, treasury and risk functions in the infrastructure sector as well as a wide and varied experience in the banking sector.



Ms. Gunjan Singh

Ms. Gunjan Singh is the Company Secretary and Compliance Officer of the Investment Manager. She is a fellow member of the Institute of Company Secretaries of India and also holds a bachelor's degree in law. She has 19 years of experience in secretarial, legal and compliance functions as well as strategies to drive business growth, protect rights, minimize risk and assure compliance to changing laws and regulations. She has previously been associated with RHC Holding Private Limited, Fortis Escorts Heart Institute, International Panacea Limited and Era Constructions (India) Limited.



Mr. Shubhra Bhattacharya

Mr. Shubhra Bhattacharya is the Chief Operating Officer of Investment Manager. He holds a bachelor's degree in engineering (Civil) from SGSITS Indore and is a Certified Lead Auditor of ISO 14001: 1996 conforming Environment Management System. He has more than 3 decades of experience of which last 10 years, he has been managing Transport Sector Assets for marquee Private Equity funds / InvITs. He has a vast experience in Infrastructure Development encompassing Construction of landmark Infrastructure Projects such as Mumbai – Pune Expressway, first underground corridor of Delhi Metro, IGI (Terminal 3).

In his present role he is responsible for pre-acquisition activities, operation management including enterprise risk management and internal controls, sustainability and ESG.

BRIEF PROFILE OF THE SENIOR MANAGEMENT OF THE INVESTMENT MANAGER



Mr. Anurag Jain

Mr. Anurag has diversified experience of over 20 years in the areas of Financial Advisory, Project Finance and Infrastructure Asset development. He has worked with Kotak Investment Banking, IDFC Limited, ICICI Bank and L&T IDPL in the past. He founded Agile Vibes (a startup in experiential learning) and Yogyata (non-profit in education) before taking up the current role.

Mr. Anurag is serving NHIT as Chief Investment Officer and is responsible for acquisition of new assets, equity fund raising and investor relations.

Mr. Anurag is an Engineering graduate in Computer Science from Harcourt Butler Technical University, Kanpur. He also holds Post Graduate Diploma in Management from Indian Institute of Management, Lucknow.



Mr. Rajesh Kumar Singh

Mr. Rajesh has 21 years of experience leading HR functions in big Indian conglomerates and MNCs in India, Africa and Asia continents and has worked with global brands like Caterpillar Rail, TATA Projects and Ray-Ban Sun Optics India. He has extensive experience in managing multi-cultural, multi-disciplinary and multi-location-based organizations within Asia and Africa regions. He specializes in Organization Design, HR Strategies, HR Transformation, HR Automation, HR Analytics, Talent Management and Compensation & Benefits Plans. He was instrumental in establishing the Power Distribution and Power Substation business units at TATA Projects and facilitating their global expansion. He has also successfully established a brown-field manufacturing unit project at Caterpillar Rail in Raipur to produce flash-butt welded crossings for delivery to Indian Railways. Prior to his current position, he was a global leader for Caterpillar Rail, based in Noida, India, and Pretoria, South Africa.

Mr. Rajesh presently serves as NHIT's Chief Human Resources Officer, where he is in charge of Human Resources and Administration functions.

Mr. Rajesh has a Master of Business Administration in Human Resources Management and Organisational Behaviour from Guru Jambheshwar University, as well as a One-Year Post Graduate Diploma in Labour and Administrative Laws from Madurai Kamaraj University. He completed a One-Year Executive Programme in Leadership and Management at the Indian Institute of Management, Calcutta, sponsored by Caterpillar Rail.



Mr. Arun Kumar Jha

Mr. Arun Kumar Jha is a seasoned professional having engineering background with an impressive track record spanning 34 years in Engineering Procurement & Construction (EPC) and Toll Operations & Maintenance in the Road sector.

He has expertise in P&L management, Project Management, and Planning and Execution of large-scale infrastructure projects, primarily for NHAI (National Highways Authority of India) and other State Highways.

Mr Arun Kumar Jha has obtained undergraduate degree in Civil Engineering from Malviya National Institute of Technology, Jaipur followed by master's degree in Transportation Engineering from Nagpur University.

In his previous roles, He was associated with esteemed organizations such as IJM, L&T IDPL, Ashoka buildcon etc. where he demonstrated exemplary skills in managing high-value projects.

National Highways InvIT Project Managers Private Limited ("NHIPMPL")



Mr. Akhil Khare
(Chief Executive Officer & Director)



Mr. Ashish Kumar Singh
(Director)



Mr. Rajiv Nayanam
(Head Toll Operations)



Mr. Sandeep Khare
(Head Technical and Commercial & Contracts Managment)



Mr. Bandu Suresh Londhe
(Head System (ATMS & TMS))



Mr. Saurabh Vijay
(Company Secretary)



Group Photo of NHIPMPL Team

Women Empowerment





NHIT
National Highways Infra Trust





MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis section for the year under review, as stipulated under the SEBI Listing Regulations, provides a comprehensive overview of a company's performance, operations, and future prospects. It aims to provide insights into the company's strategic direction, financial health, risks, challenges, and opportunities.

ABOUT NATIONAL HIGHWAYS INFRA TRUST

NHAI (**"Sponsor"**) settled the National Highways Infra Trust (**"NHIT"**) on 19th October, 2020, as a contributory irrevocable Trust, pursuant to the Trust Deed executed under the provisions of the Indian Trusts Act, 1882. NHIT was registered with Securities and Exchange Board of India (**"SEBI"**) on 28th October, 2020, as an infrastructure investment trust (**"InvIT"**) under Regulation 3(1) of the SEBI InvIT Regulations, 2014 having registration number IN/InvIT/20-21/0014. National Highways Infra Investment Managers Private Limited (**"NHIIMPL"**) has been appointed as the Investment Manager to NHIT.

Currently, NHIT holds a diversified portfolio of fifteen (15) operating toll roads with an aggregate length of about 1,525 km spread across the 9 states of Assam, Gujarat, Karnataka, Madhya Pradesh ("MP"), Maharashtra, Rajasthan, Telangana, Uttar Pradesh ("UP") and West Bengal ("WB"), with concession periods ranging between 20 to 30 years.

NHIT through its two wholly owned Special Purchase Vehicle (**"SPV"**), NHIT Western Projects Private Limited (**"NWPPL"**) (formerly known as National Highways Infra Projects Private Limited) and NHIT Eastern Projects Private Limited (**"NEPPL"**) has entered into 15 independent concession agreements with NHAI for toll roads against a concession fee of over ₹ 26,000 crore. The concession agreements for first bundle (5 operating toll roads) became effective on 16th December, 2021, for second bundle (3 operating toll roads) on 29th October, 2022 and for third bundle (7 operating toll roads) on 1st April, 2024.

In order to acquire concession right for these roads, NHIT has cumulatively raised ~₹ 14,713 crore from equity capital markets and balance through debt instruments, since November 2021. Historically, units of NHIT were issued at a price of ₹ 101.00 in November 2021 and were listed on both BSE and NSE on 10th November, 2021. The additional units issued for funding second and third round of monetisation were listed on both BSE and NSE respectively on 12th October, 2022 and 19th March, 2024.

Additionally, NHIT has issued Non-Convertible Debentures (**"NCDs"**) during the FY 2022-2023, which were listed on the BSE and NSE on 27th October, 2022.

About National Highways Infra Investment Managers Private Limited ("NHIIMPL")

NHIIMPL was incorporated as a private limited company on 25th July, 2020, under the Companies Act, 2013. The company was initially incorporated as a wholly owned subsidiary of NHAI. Subsequently, NHAI transferred its entire shareholding in the company to the President of India, acting through the Ministry of Road Transport and Highways ("MoRTH"), Government of India ("GoI"). Presently, NHIIMPL is a government company as defined under the Companies Act, 2013, as amended. The current paid up capital of the NHIIMPL is ₹11.00 crore.

About NHIT Western Projects Private Limited ("NWPPL")

(formerly known as National Highways Infra Projects Private Limited ("NHIPPL"))

NWPPL is a private limited company incorporated on 23rd July, 2020, under the Companies Act, 2013. The current paid up capital of the NWPPL is ₹ 1,294.10 crore. NHIT (jointly with its nominee) holds 100% of the issued, subscribed, and paid-up share capital of NWPPL.

NWPPL had entered into five (5) independent concession agreements with NHAI for concessions of each of the Roads, including Abu Road - Palanpur in Gujarat/Rajasthan, Abu Road - Swaroopganj in Rajasthan,

Kothakota Bypass - Kurnool in Telangana, Maharashtra/Karnataka Border - Belgaum and Chittorgarh - Kota & Chittorgarh Bypass in Rajasthan. The concession agreements provide NWPPL the right to collect tolls for a period of 30 years, from the declared appointed date of 16th December, 2021, from users of each Road, with certain overlay activities and the construction of additional toll lanes in respect of certain Roads. In lieu of the concession rights, NWPPL had paid a concession fee of ₹ 7,350.40 crore to NHAI. Additionally, NHIT has paid ₹ 101.00 cr for purchasing equity of NWPPL from NHAI.

Subsequently during FY 2022-23, NWPPL had entered into three (3) additional independent concession agreements with NHAI for concessions of each of the roads including Agra Bypass in UP, Shivpuri - Jhansi in UP/MP and Borkhedi - Wadner - Kelapur in Maharashtra/Telangana. The concession agreements provide NWPPL, the right to collect tolls for a period of 20 years, from the declared appointed date of 29th October, 2022, from the users of each road, with certain overlay activities, service roads, and the construction of structures/ toll plaza. In lieu of the concession rights, NWPPL had paid a total concession fee of ₹ 2,849.67 crore to NHAI (comprising base concession fee of ₹ 2,825.00 crore and an additional concession fee of ₹ 24.67 crore).

Responsibility for supervision of the operations and maintenance of the above-mentioned roads also vests with NWPPL.

The toll revenue of NWPPL was approx. ₹ 943.91 crore and other income was ₹ 7.05 crore for the last financial year.

About NHIT Eastern Projects Private Limited ("NEPPL")

NEPPL is a private limited company incorporated on 19th April, 2023, under the Companies Act 2013. The current paid up capital of the NEPPL is ₹ 2,406.00 crore. NHIT (jointly with its nominee) holds 100% of the issued, subscribed and paid-up share capital of NEPPL. During the last FY 2023-24, NEPPL had entered into seven (7) independent concession agreements with NHAI for Chitradurga Bypass - Davanagere - Hubli in Karnataka, Lakhnadon - Mahagaon - Khawasa in MP, Rewa - Lakhnadon in MP, Orai - Barah in UP, Chichra - Kharagpur in WB, Kachugaon - Kaljhar and Kaljhar - Patacharkuchi in Assam. During FY 2023-24, NEPPL had paid a total concession fee of ₹ 15,699.88 to NHAI (comprising base concession fee of ₹ 15,624.90 crore and an additional concession fee of ₹ 74.98 crore) as consideration of the concession agreements.

The concession agreements provide NEPPL, the right to collect tolls for a period of 20 years, from the declared appointed date of 1st April, 2024, from the users of each road, with certain overlay activities, service roads, and the construction of structures/ toll plaza Further, NEPPL is also responsible for supervision of the operations and maintenance of the above-mentioned roads.

About National Highways InvIT Project Managers Private Limited ("NHIPMPL")

NHIPMPL ("Project Manager") was incorporated as a private limited company on 9th March, 2021. The Project Manager is a wholly-owned subsidiary of NHAI. The Project Manager is mandated to assist NWPPL and NEPPL for the operations & maintenance as per the stipulated terms of the underlying project's concession agreements. Further, duties of Project Manager also includes liaisoning with authorities and reporting service deficiencies of the underlying assets.

FINANCIAL STATEMENTS

Summary of Consolidated and Standalone Financial Statement of NHIT as of 31st March, 2024

(All amounts are in ₹ crore unless otherwise stated)

Particulars	Standalone		Consolidated	
	FY 23-24	FY 22-23	FY 23-24	FY 22-23
Total Income	**1,247.35**	**957.89**	**974.63**	**700.88**
Investment Manager Fee	18.00	12.64	18.00	12.64
Project Manager Fee	-	-	11.68	9.91
Operating Expenses	-	-	136.66	90.25
Finance Cost	251.40	165.90	280.23	166.21
Depreciation & Amortization Expenses	-	-	247.71	175.61
Other Expenses	2.81	2.28	45.70	28.85
Total Expenditure	**272.21**	**180.82**	**739.98**	**483.47**
Profit Before Tax	975.14	777.07	234.65	217.41
Total Comprehensive Income for the Year	**968.19**	**772.36**	**294.20**	**256.90**

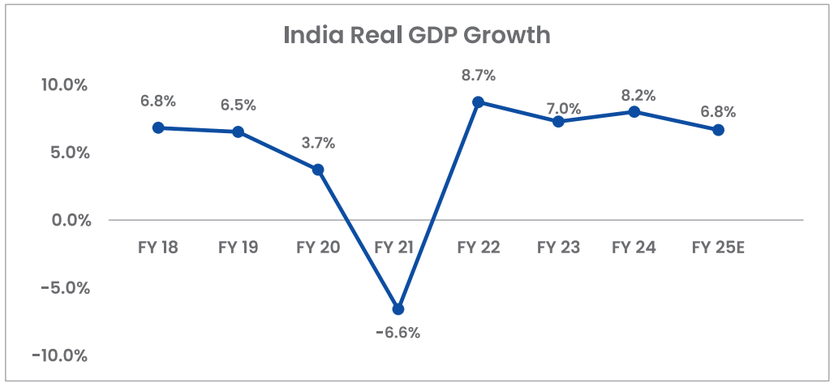
Outlook on Indian Economy

Indian economy has been on a steady growth trajectory, poised to become the 3rd largest economy globally with a projected Gross Domestic Product("GDP") of USD 8 trillion by 2030 and USD 30-35 trillion by 2047[1]. Over the past decade, significant policy actions by the Government of India have revolutionized the country's infrastructure and financial sectors. These reforms have fostered inclusive development, elevating India to the 5th largest economy with a GDP of USD 3.7 trillion.

Despite global economic uncertainties, geopolitical tensions from the Russia-Ukraine War, supply chain disruptions due to the Red Sea Crisis, and tightening financial conditions in major economies like the US, India's domestic demand has remained relatively resilient.

For the FY 2023-24, India's real GDP growth has settled at 8.2%. However, influenced by high interest rates and a strategic reduction in fiscal stimulus, the GDP is projected to moderate to 6.8% in fiscal 2025[2].

The proposed measures are part of a broader effort to maintain economic stability and long-term growth. Importantly, continued government support for capital expenditures and rural incomes is anticipated to play a significant role in sustaining economic momentum.



Source: CRISIL Research

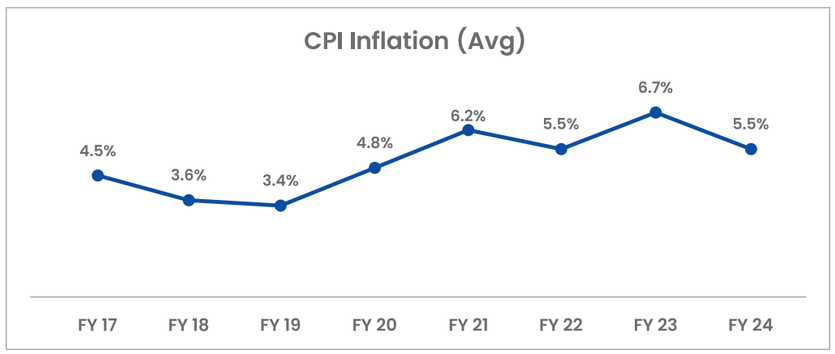
[1] India on track to become $35 trillion, fully developed economy by 2047 (pib.gov.in)

[2] CRISIL Research

Outlook on Inflation (CPI):

Headline Consumer Price Index ("CPI") inflation eased to an estimated 5.5% this fiscal from 6.7% in fiscal 2023. In FY25, inflation is expected to decline further to 4.5% on average[3]. Assuming a normal southwest monsoon and healthy agricultural output, food inflation, which forms 39% share in the CPI basket, is expected to trend downwards. Core inflation is forecasted to stay benign but could see some statistical uptick given the low base in the fiscal 2024.

Unpredictable weather shocks remain the biggest risk to the inflation outlook which will be partially cushioned through government interventions to minimise the adverse impact.



Source: NSO, CRISIL Research

As per the Ministry of Commerce and Industry, Wholesale Price Index ("WPI") inflation declined to 0.86% in December 2023; largely led by the WPI-food and core (manufactured non-food products) items.

India's Push for Infrastructure

India has an ambitious vision for 2047, the year when it will celebrate 100 years of independence. The vision aspires transforming the nation into a developed country with world-class infrastructure and facilities. The Government of India is expected to undertake multiple initiatives to revolutionize the nation's infrastructure which may include High Speed Road and Rail Network, Expansion and setting up new Major & Non-Major Ports and Multimodal Logistics Parks.

Government Focus on Infrastructure Spending

1. Capital Expenditure

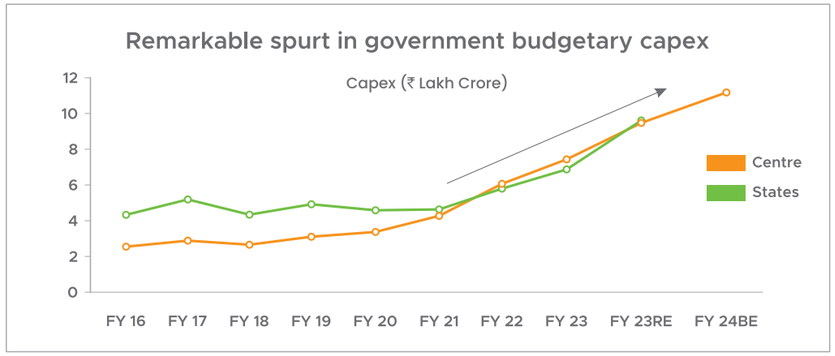
The progress of National Highways ("NH") in India has been a remarkable decadal growth story aligned with a significant increase in budget allocation and construction pace. In the last few years, the government's capital expenditure ("capex") has significantly increased, indicating a robust recovery in the investment cycle. The Centre's budgetary capex surged from ₹ 2.5 lakh crore in fiscal 2016 to ₹ 9.6 lakh crore in fiscal 2024, nearly fourfold. At the same time, State capex also grew by 2.2 times during this period. From averaging 1.7% of GDP from fiscal 2016 to 2020, the Centre's capex has nearly doubled to 3.4% of GDP, planned for the upcoming fiscal.

Further, the Government of India has been actively focusing on enhancing the transport infrastructure[4], which is evident from 2.5 times increase in capital expenditure in transport infrastructure over the years from ₹ 2.1 lakh crore in 2021-22 to ₹ 5.3 lakh crore budgeted in 2024-2025[5]. This increase is particularly focused on enhancing physical connectivity enabling in reduction of the logistics costs and boost competitiveness. Primary areas of expenditure include rural roads, highways, airports, and railways.

[3] CRISIL Research- MI&A

[4] Budget pertains towards Ministry of Road, Transport and Highways and Ministry of Railways

[5] https://www.indiabudget.gov.in/doc/bh1.pdf



NOTE: Data for states is not available for Fiscal 2025
Source: CEIC, RBI, CRISIL

Further, a raft of significant reforms has been introduced by the government in recent years to bolster Core Infrastructure growth in India includes streamlining of project identification and structuring through the National Infrastructure Pipeline ("NIP"), establishment of the dedicated National Bank for Financing Infrastructure and Development ("NaBFID") to facilitate financing for these projects, and introduction of the PM Gati Shakti scheme aimed to improve inter-ministerial coordination and project execution efficiency. Additionally, the National Monetisation Pipeline ("NMP") has facilitated leveraging of the value of public assets for infrastructure development. Collectively, these reforms are targeted to create a favourable environment for the healthy growth of infrastructure in the country and achieve its 2047 targets.

2. Focus on Infrastructure Investment

Growth in India's Infrastructure over the coming fiscals is expected to be driven by the government's spending towards Core Infrastructure, including roads, railways and urban infrastructure. Cumulatively, Core Infrastructure sectors are projected to constitute 67% of the total infrastructure spending, of ₹ 143 lakh crore, planned for fiscals 2024-2030.

	Total Investments		Green Investments	
	2017-2023E	2024-2030P	2017-2023E	2024-2030P
Core Infra	₹ 50.4 lakh crore	₹ 96.8 lakh crore	NA	NA
Energy	₹ 15.5 lakh crore	₹ 39.1 lakh crore	₹ 6.6 lakh crore	₹ 30.3 lakh crore
Transport	₹ 0.8 lakh crore	₹ 7.0 lakh crore	₹ 6.6 lakh crore	₹ 6.3 lakh crore
Overall Infrastructure	₹ 66.7 lakh crore	₹ 142.9 lakh crore	₹ 7.2 lakh crore	₹ 36.6 lakh crore

Source: CRISIL MI&A Research

	Total Investment Core Infra	
	2017-2023E	2024-2030P
Roads	₹ 18.3 lakh crore	₹ 37.3 lakh crore
Railways	₹ 12.4 lakh crore	₹ 25.6 lakh crore
Urban Infra	₹ 8.6 lakh crore	₹ 18.9 lakh crore
Other Infra	₹ 11.1 lakh crore	₹ 15.0 lakh crore
Core Infra	₹ 50.4 lakh crore	₹ 96.8 lakh crore

Development of the National Highways

National Highways constitute around 2% (1,46,145 km) of the country's road network, but carry about 40% of the total road traffic. NHAI, the nodal agency under the MoRTH, is responsible for building, maintaining and upgrading over 82,000 kms of NHs. To develop the NH network, NHAI launched the National Highways Development Project ("NHDP") in the year 1998 spread over seven phases and incorporates private sector involvement through Engineering Procurement and Construction ("EPC"), Build Operate Transfer ("BOT"), and Hybrid Annuity Model ("HAM") contracts.

NHDP was followed by Bharatmala Pariyojana ("BMP" - flagship program for National Highways being implemented by MoRTH), 26,425 km in length has already been awarded with a total capital cost of ₹ 8.53

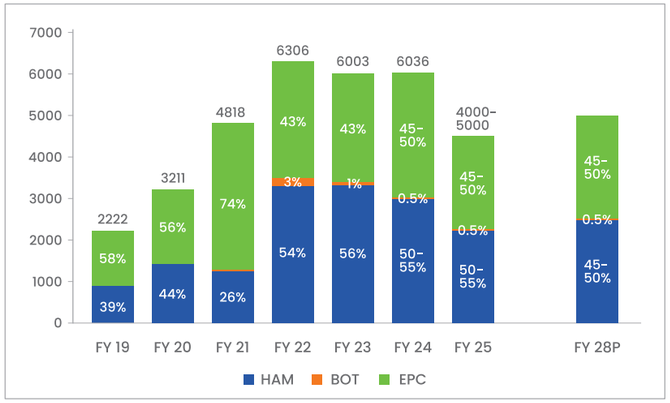
lakh crore (USD 103 billion) including ~6,800 km of high-speed corridors. Out of 26,425 km, ~52% of projects by total cost are being executed under PPP mode with ₹ 2 lakh crore (USD 24 billion) private investment.

Further, the MoRTH is expected to set out pipelines of assets under the Vision 2047 Master Plan which may include construction of over 750,00 km of highways including 50,000 km high-speed corridor (access controlled) by 2047 to cater high-speed corridor density of India, Equitable access to National Highways especially in under-developed regions, provide world class Passenger Amenities and target reduction in logistics cost. Vision 2047 is expected to incorporate the elements of BMP and take highway construction activity to a new level.

Stable NHAI Awarding

NHAI awarding has witnessed a rise from 2,222 km in fiscal 2019 to 6,003 km in fiscal 2023 due to favourable changes in the BOT and HAM agreements. Relaxation of bidder eligibility criteria by NHAI indicates a policy shift to enhance private-sector participation and consequently, catalyse the award of HAM projects. While the share of HAM in awarding increased slightly from 54% in fiscal 2022 to 56% in fiscal 2023 the EPC share remained unchanged at 43%.

NHAI is expected to award ~4,000-4,500 kms in fiscal 2025[6], however the respective shares of HAM, EPC and BOT in the total awarding are expected to remain at similar levels vis-vis fiscal 2024. Over the medium term, it is expected that the NHAI would continue to award -5,000 kms per year on an average between fiscals 2024 and 2028



Source: Crisil Research and NHAI

Financing Trends

It is estimated that ₹ 17-19 lakh crore will be invested in national highways between fiscals 2023 and 2027, with public funds dominating the overall spending[7]. The NHAI awarding under the HAM and on cash-contract basis is dependent on an active asset monetisation programme.

As part of asset monetisation initiatives, highway sector has been successful in monetization of completed assets (having operational history of atleast one year) through Toll-Operate-Transfer ("ToT") and InvIT. Till date, USD 8.2 Bn (₹ 0.68 lakh crore) has been raised by MoRTH/NHAI leveraging TOT & InvIT for over 3,800 km of highways. Further, NHAI is targeting to unlock over 2,700 km of its operating toll roads through TOT and InvIT during FY 2024-25.

According to SEBI Database[8], InvIT and Real Estate Imvestment Trust ("REIT") have raised over ₹ 39,023.6,000 crore during FY 2023-24. Further, going forward, the road sector is likely to be a major beneficiary of the new inflows.

[6] Crisil Research

[7] Crisil Infra Yearbook, 2023

[8] SEBI | Fund raising by REITs and InvITs

Indian companies participating in the asset monetisation are part of the large developer/concessionaire groups and InvITs with their ability to raise funds from both foreign and domestic investors/markets at competitive rates. This could lead to stronger flow of funds from the Foreign Direct Investment ("FDI") and capital / corporate bond markets.

It has been demonstrated through continued interest from the foreign investment inflows with India receiving a total FDI inflow of USD 70.9 billion in the financial year 2023-24.

Out of total FDI flows, FDI equity inflow received during FY 2023-24 stood at USD 44.4 billion. The FDI inflow in construction (infrastructure activities), construction development, and power sectors doubled in 2023-24. Construction (infrastructure activities) FDI equity inflow in FY 24 increased by 1.5 times standing at USD 4.2 billion from USD 3.2 billion in FY22[9].

Going forward, support of the foreign and domestic investors, into asset categories within the National Monetisation Pipeline, will be crucial for achieving successful monetization goals set by the Government. Based on the anticipated investment trends, Roads InvITs are poised to make an attractive investment class for these funds, offering stable returns and aligning with their long-term investment strategies.

Positive changes in Model Concession Agreements ("MCA")

Recent amendments to the MCA for TOT and BOT toll models demonstrate openness to the views of the investor community and refinement of concession documents and bidding strategy from time to time.

Reform in TOT MCA for modification of traffic variance bands from 20% to 5% and revising the test points or target points to every fifth year during the concession period are expected to enhance the adaptability to traffic performance variations and revenue target evaluations.

Similarly, increasing the minimum vacant access and Right of Way ("RoW") from 80% to 90% and stricter clauses are introduced to curb project implementation delays, are encouraging revisions for the serious BOT developers.

These strategic adjustments in both TOT and BOT Toll models are targeted to attract more investment by aligning project timelines more closely with investor and operational realities, ensuring that infrastructure development progresses efficiently and effectively.

Road Ahead

The Indian government has demonstrated robust commitment to enhancing the nation's infrastructure through strategic capital expenditure and regulatory reforms. The modifications to the MCA for both TOT and BOT toll models, including more frequent evaluations and revised toll collection thresholds, are designed to bolster investor confidence and streamline project implementations. These changes, along with significant investment in core infrastructure sectors and a focused approach on smoother project delivery, are set to drive substantial growth across India's highways sector. NHAI has actively played a crucial role in the NMP so far, which will be continued through TOT and InvIT. This holistic approach ensures that infrastructure development not only progresses efficiently but also aligns with the broader economic growth objective of becoming a USD 8 trillion economy by 2030.

[9] Department of Promotion and Industrial Trade (DPIIT), March 2024



#CONTINUOUS LEARNING



OUR ASSET PORTFOLIO







A four-lane road on NH-27 with project length of 45 kms.

It starts from north of Palanpur in Gujarat at km 601+000 and ends at km 646+000, south of Abu Road in the state of Rajasthan. The asset has one toll plaza at Khemana (km 602+750).

This road is one of the key connectors between western Gujarat and Rajasthan and other northern and eastern Indian states. NH-27, the second-longest highway in India, starting from Porbandar in Gujarat and ending at Silchar in Assam, while passing through the states of Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar and West Bengal. The Asset caters to the north-west movement between Haryana, Punjab, Delhi, in the north and the different business centres of Gujarat. It also caters to east-west movement between Silchar, Guwahati, Siliguri, Lucknow and Udaipur in eastern India and industrial cities like Morbi, Jamnagar and Gandhidham, and ports such as Kandla and Mundra in Gujarat. Consequently, the commercial traffic on the road is of long-distance in nature. The local and short distance traffic is predominantly cars, jeeps and vans (CJV) traversing between Palanpur, Abu Road, Swaroopganj, Deesa and other small towns.







A four-lane road on NH-27 with project length of 31 kms.

This road is adjacent to the Palanpur – Abu Road and starts near Abu Road in Rajasthan at km 646+000 and ends at km 677+000 near Swaroopganj in the state of Rajasthan. The asset has one toll plaza at Undavariya (km 670+750).

Abu Road – Swaroopganj has similar traffic pattern and connectivity as Palanpur – Abu Road.

The Dilwara Temples or Delvada Temples, a group of Svetambara Jain temples built between the 11th and 16th centuries, are located in close proximity to Palanpur – Abu Road and Abu Road – Swaroopganj





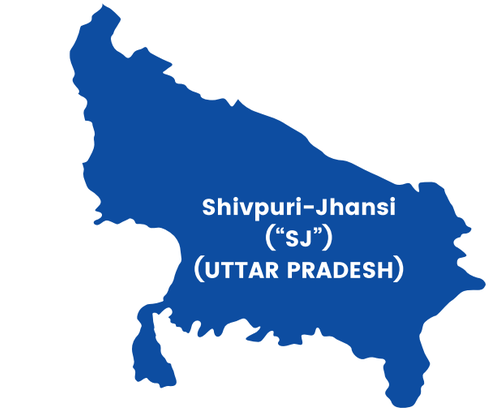


A four-lane road on NH-27 with project length of 160.50 kms.

It starts near Chittorgarh in the state of Rajasthan at km 891+929 and ends near Kota in the state of Rajasthan at km 1052+429. The asset has three toll plazas at Bassi (km 929+629), Aroli (km 986+469), and Dhaneshwar (km 1032+979).

The road is part of the East – West corridor envisaged under National Highway Development Program (Phase – II). The road serves the east-west long-distance traffic which is majorly plying between Lucknow, Gorakhpur in eastern region and Palanpur, Rajkot in western region. Apart from long distance traffic, it also serves the short distance traffic which is mainly generated between Bundi, Kota, Baran, Udaipur and Chittorgarh areas.

The Chittorgarh Fort also known as Chittor Fort, a UNESCO World Heritage Site, is located at a distance of ~30 kms from the Bassi toll plaza of the asset. Chittorgarh Fort, covering an area of 280 ha sprawling over a 180 m high hill, is located in the present-day town of Chittorgarh. Further a temple of Meera Bai, a Krishna devout and a Rajput princess, is located within the premises of Chittorgarh Fort.







A four-lane road on NH-27 with project length of 75.30 kms.

It starts at Shivpuri in the state of Madhya Pradesh at km 1305+087 and ends at Jhansi in the state of Uttar Pradesh at km 1380+387. The road connects the districts of Jhansi in the state of Uttar Pradesh and Shivpuri in the state of Madhya Pradesh. The asset has one toll plaza at Raksha near Jhansi (km 1374+570).

In continuation to "AP", "AS" and "CK", this asset also forms part of NH-27. The road stretch witnesses higher proportion of long route traffic between the eastern and western regions. Asset stretch is used by the traffic originating and destined in the regions such as Kanpur - Lucknow cluster, Indore cluster, Maharashtra and Gujarat.

The Ram Raja Temple of Orchha, is a sacred Hindu pilgrimage located at a distance of 30 km from the Raksha toll plaza of the asset. Ram Raja Temple is the only place where Lord Shri Ram is worshipped both as a God and a King.



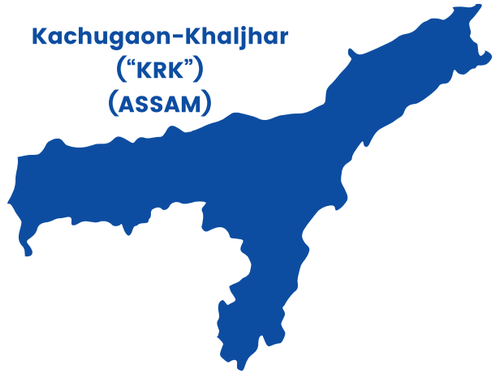
A four-lane road on NH-27 with project length of 62.80 kms.

It starts near Orai village under district Jalaun in the state of Uttar Pradesh at km 1515+713 and ends near Barah under district Kanpur Dehat in the state of Uttar Pradesh at km 1578+36. The asset has one toll plaza at Usaka (km 1519+880)

In continuation to "AP", "AS", "CK" and "SJ", this asset also forms part of the East – West corridor envisaged under National Highway Development Program (Phase – II), connecting several prominent tourist and industrial cities, such as Porbandar (a port city), Rajkot, Palanpur, Udaipur, Chittorgarh, Jhansi, Kanpur, Lucknow, Muzaffarpur, Purnea, Siliguri, Jalpaiguri etc.

The project road serves as a major route for east-west long-distance traffic between Lucknow, Gorakhpur in the eastern region and Palanpur, Rajkot in western region. Apart from long distance traffic, it also serves to short distance traffic which is mainly generated between Orai, Jhansi, Kanpur, Lucknow and Unnao region.

Orai, a town in the Bundelkhand region, which witnessed the valour of legendary Rani Lakshmibai Newalkar from Jhansi, Warrior brothers Alah & Udal from Mahoba and Kalpi, the birthplace of Ved Vyas who authored Mahabharata.



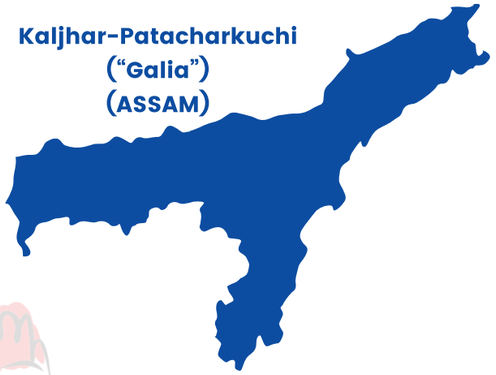




A four-lane road on NH-27 with project length of 114.17 kms.

It starts at Kachugaon in the state of Assam at km 30+000 of NH-27(old NH-31C) and passes through Rakhaldubi Bus Junction at km 92+671 / 961+500 of NH-27(old NH-31) and ends at Kaljhar in the state of Assam at km 1013+000. The asset has two toll plazas at Patgaon (km 49+600) and Dahalapara (KM 971+200) located 215 kms and 160 km west of Guwahati respectively.

The asset, is connected via the Siliguri corridor, also famously referred to as the Chicken Neck. The Siliguri Corridor and the asset connects the seven sisters of Northeast India to the rest of India. The asset acts as a feeder for NE India and caters to the long-distance traffic entering the region via Assam.







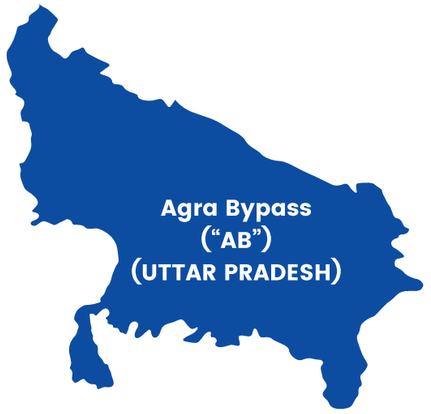
A four-lane road on NH-27 with project length of 27.3 kms.

This road is adjacent to "KRK"and starts at Kaljhar in the state of Assam at km 1013+000 and ends at Patacharkuchi in the state of Assam at km 1040+300. The asset has one toll plaza at Galia (km 1017+350) located 120 kms west of Guwahati.

In continuation to other six assets, this asset is located near origin of east – west corridor of India under NH-27. The asset forms part of the most industrialized state (Assam) within northeast (NE) region of India.

Kaljhar – Patacharkuchi has similar traffic pattern and connectivity as "KRK".

"KRK" and "Galia" are in proximity to the famous Maa Kamakhya Temple of Guwahati - the oldest and one of the most sacred of the Ashtadasa (eighteen) Shakti Peethas.







A four –lane road originating on NH-19 (old NH-2) and terminating on NH-44 (old NH-3). The project length under the asset is 32.80 km.

The asset starts from junction of NH-2 (km 176+800) in the state of Uttar Pradesh at km 0+00 and ends at junction with NH-3 (km 13+030) in the state of Uttar Pradesh at km 32 +800.The asset has one toll plaza at Raibha (km 10+800) and acts as a bypass to the city of Agra in the state of Uttar Pradesh and a key link between Delhi and the regions of Gwalior, Maharashtra and all southern states. It further connects the traffic originating from west from areas such as Gujarat and Jaipur to the cities in the East (Kanpur, Lucknow and beyond), thereby supporting the east-west movement. This road also acts as a connector between major highways in the state of Uttar Pradesh, branches out to NH-52 (old NH-3) and NH-44 (old NH-7) at Gwalior.

Agra's Taj Mahal, one of the Seven Wonders of the World, built under the regime of the fifth Mughal emperor Shah Jahan in the memory of his beloved wife, is just 35 kms from the Asset.







A four-lane road on NH-44 with project length of 107.35 kms.

The asset starts at km 546+420 and ends at km 653+770 in the state of Madhya Pradesh. The asset has two toll plazas at Madai (KM 549+200) and Khawasa (KM 651+718).

The asset is the part of longest highway (NH-44) in India connecting Srinagar with Kanyakumari and passing through the cities of Jammu, Jalandhar, Delhi, Faridabad, Agra, Gwalior, Jhansi, Sagar, Nagpur, Hyderabad, Bengaluru and Salem. NH-44 is part of North-South corridor envisaged under National Highway Development Program (Phase – II).

The road forms part of north-south long-distance strategic corridor and is present in the state of Madhya Pradesh closer to Maharashtra border. It lies between the urban centres of Jabalpur and Nagpur and has a divided section between Lakhnadon and Khawasa traversing through the districts of Mandai, Chhapara and Seoni in the state of Madhya Pradesh.

The Pench Tiger Reserve ("Pench") and the Kanha-Pench Tiger Corridor are located in the vicinity/surrounding of the asset. Pench harbours a population of around 50 tigers residing in the prey-rich woodlands of park's region. Besides this, the Pench also has 39 species of mammals 13 species of reptiles and 3 species of amphibians.







A four-lane road on NH-44 with project length of 138.15 kms.

The asset starts from south of Nagpur at Borkhedi (km 36+600), traversing through the districts of Nagpur, Wardha and Yavatmal in the state of Maharashtra and ends near Maharashtra/Telangana Border (km 175+000). The asset has two toll plazas at Darodha (km 92.500) and Kelapur (km 150.450). The toll plaza at Kelapur is proposed to be shifted to km 156.650.

The asset is in vicinity of Nagpur, which is home to several manufacturing hubs, food processing units and CONCOR's multi modal logistics hub. Yavatmal (textile/cotton), Butibori (MIDC), and Chandrapur (coal) are some of key traffic generators for the asset.

Kelapur toll plaza of the asset is in close proximity to the Tipeshwar Tiger Reserve & Wildlife Sanctuary; spanning across 148.63 square km in Pandarkawada in Yavatmal. With a beautiful ecosystem of rare birds, animals and plants, Tipeshwar Wildlife Sanctuary is situated amidst the picturesque Patanbori & Parwa Ranges of the Pandarkawada Forest Division. Further, this region produces finest quality cotton and a major cotton trading hub of India.







A four-lane road on NH-44 with project length of 74.60 kms.

The asset starts at Kothakota (km 135+469) in the state of Telangana and ends at Kurnool (km 211+000) in the state of Andhra Pradesh. The asset has one toll plaza at Pullur (km 200+950).

The road serves the long distance traffic majorly plying between Hyderabad, Nagpur, Northern India and Bengaluru, Mysuru in southern India. Apart from serving the long distance traffic, it also serves the short distance traffic which is mainly generated between Mahbubnagar, Kothakota, Wannaparthy, Pebbair and Kurnool/Ananthpur areas.

Alampur Jogulamba temple, dedicated to Goddess Jogulamba, is one of the Maha Shakti Peethas is located at a distance of less than 20 kms from Pullur Toll plaza in Telangana.







A four-lane road on NH-48 with project length of 77.70 kms.

The asset starts from north of Belgaum (km 515+000) in the state of Karnataka and ends at Kagal (km 592+705) near Karnataka – Maharashtra border in the state of Karnataka. The asset has two toll plazas at Hattargi (km 537+770) and Kognoli (km 591+240).

The road forms part of the Golden Quadrilateral connecting the four major metropolitan cities in India (Delhi-Mumbai-Chennai-Kolkata) and seven states. Regionally, it also connects the cities of Mumbai in the west to Bangalore/Chennai in the south, and also serves short distance traffic between the towns of Kolhapur, Belgaum, Hubli, Belur and Dharwad.

This road is under capacity augmentation and is being expanded to six lanes by NHAI, which shall improve the riding quality. The capacity augmentation work is expected to be completed by March, 2025.

Belgaum Fort, nestled in the heart of Belgaum city, stands as a silent witness to the tumultuous history and architectural grandeur of the region. The Historical tapestry of Belgaum Fort, built in the 13th century, includes fortification by the Ratta Dynasty, the Yadavas, Bahmani Sultanate, and the Adil Shahi dynasty. Belgaum Fort lies at a distance of ~10 kms from the starting chainage of the Asset.





Chitradurga Bypass-Davanagere-Hubli (“HHC”) (KARNATAKA)





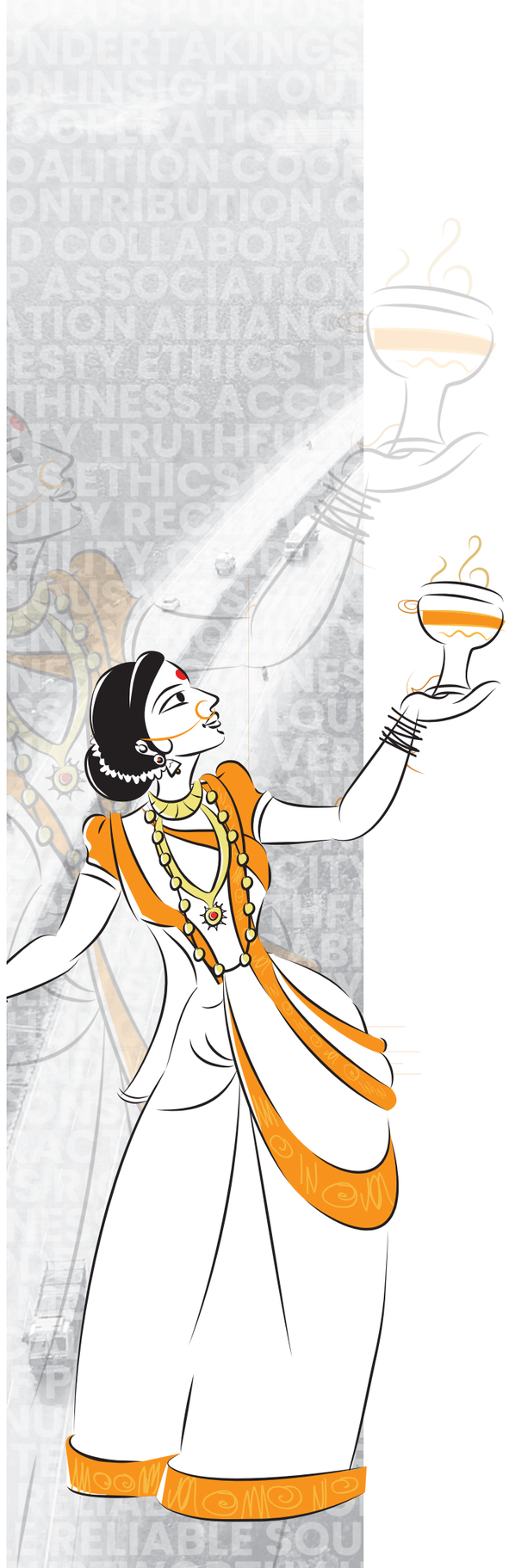
A six-lane road on NH-48 with project length of 214.47 kms.

The asset starts at Chitradurga in the state of Karnataka at existing km 0+000 and ends at Hubli in the state of Karnataka at existing km 403+000. The asset has three toll plazas at Hebbalu (km 237+650), Chalageri (km 286+110) and Bankapur (km 352+550)

Similar to “BK”, this road also forms part of the Golden Quadrilateral connecting many of the major industrial, agricultural and cultural centres of India.

“HHC” Project has similar traffic pattern and connectivity as Belgaum – Kagal.

Chitradurga Fort spreads across several hills and a peak, lies in Chitradurga. The closest point on the asset is ~10 kms from the Chitradurga Fort. Locally known as Elusuttina Kote (fort of seven circles), was built between the 11th and 13th centuries by the Chalukyas and Hoysalas. Chitradurga Fort is also famous for its sophisticated water harvesting system.





Chichra-Kharagpur (“CHK”) (WEST BENGAL)





A four-lane road on NH-49 with project length of 56.12 kms.

The asset starts at Chichra in the state of West Bengal at km 185+150 and ends near Kharagpur in the state of West Bengal at km 129+000. The asset has one toll plaza at Balibhasa (KM 157+915) near Guptamoni.

The project stretch is a part of East – West connectivity which connects Mumbai and Kolkata.

Kharagpur received the distinction of holding first IIT, established as part of the initial visions of independent India. The Balibhasa toll plaza of asset is located at a distance of ~20 km from India’s first self-sufficient knowledge powerhouse. Further, Hijli Detention Camp, a former detention camp operated during the period of British colonial rule, now known as Shaheed Bhavan in IIT Kharagpur is another piece of histroy.









A four-lane road on NH-30 and NH-34 with project length of 306.34 kms.

The asset starts at km 656+000 of NH-30 (Km 242+400 of old NH-7) and ends at Km 1428+557 of NH 34 in the State of Madhya Pradesh. The asset has four toll plaza at Odhaki Paipkhar (Km 675+700 of NH 30), Kherwasani (Km 739+000 of NH 30), Mohtara (KM 840+567 of NH-30) and Boharipar (Km 1362+780 of NH-34).

The project stretch connects Rewa, Katni, Jabalpur and Lakhnadon districts of Madhya Pradesh. In the larger road network, the project stretch provides connectivity between East-West Corridor connecting Kolkata in West Bengal to Delhi and North-South corridor (NH-44) towards south at Jabalpur.

Maihar Devi Temple dedicated to a revered goddesses Sharda is situated in Maiher, Satna, Madhya Pradesh. The temple is set at the peak of Trikoota hill which is just 5 km from the closet point on the asset. Maihar is additionally known for the Indian Classical Musician - Ustad Allauddin Khan, the founder of the Maihar-Senia gharana.



ANNUAL EHS REPORT

As per its Mission statement, NHIT strives for continuous improvement with emphasis on Sustainability, Safety and Communities' well-being.

Our objectives encompass minimizing our carbon footprint, ensuring the well-being of our employees and stakeholders with the aim of achieving Zero Harm, and reducing road accidents through effective safety measures and awareness programs. We integrate EHS and Sustainability considerations into all processes and provide comprehensive training to foster awareness among employees, workers, and contractors.

Through the integration of sustainability, health, and safety practices into our operations, we aim to create a safer, healthier, and more sustainable environment for all.

1. Strategy and Implementation

1.1 Sustainability Integration:

As part of our strategic plan, NHIT is dedicated to responsible and sustainable operations. Our key areas of focus include reducing carbon emissions, conserving natural resources, promoting the usage of renewable energy sources, easier accessibility, water conservation and superior hygiene standards.

These initiatives align with our overarching goal of minimizing our environmental footprint while ensuring long-term viability and resilience. Through targeted actions and continuous evaluation, NHIT aims to lead in environmental stewardship, contributing positively to the well-being of our planet and communities for generations to come.

1.2 Occupational Health and Safety:

Implementing comprehensive health and safety protocols is our top priority. We continuously evaluate and enhance measures to ensure the well-being of our workforce and stakeholders. The key focus areas of our operations include Work on Live roads, Toll Operations, and Incident Management & Route Patrolling.

As part of our continuous improvement efforts, we continuously track and monitor the health and safety performance of our operations through several Leading and Lagging indicators. This proactive approach enables us to identify risks and track performance for ongoing enhancements in health and safety.

I. **Work on Live roads** - Working on live roads presents significant safety challenges. We have a comprehensive safety management strategy to minimize risks and achieve ALARP (As Low As Reasonably Practicable) levels. Our traffic management plan adheres to IRC standards and is tailored to each road's unique characteristics to ensure robust mitigation measures.

II. **Toll Operations** - Safety in toll operations is critical for both employees and commuters. NHIT prioritizes safety through rigorous training, strict protocol adherence, and regular inspections. We invest in advanced safety equipment and technology, including surveillance systems and protective gear, to create a secure environment.

III. **Incident Management & Route Patrolling** - NHIT's Route Patrolling and Incident Management ensure operational safety and efficiency. Trained professionals conduct regular patrols to address hazards and maintain road conditions. In case of incidents, our team, equipped with ambulances, cranes, and protocols, responds promptly to ensure safety and minimize traffic disruptions. We analyze data from patrols and incidents to implement proactive safety measures.

1.3 Road Users' Safety

At NHIT, Road Users' Safety is at the heart of everything we do. We are committed to ensuring the highest level of safety for all road users across our assets. As part of our strategy, we proactively monitor accident-prone areas, conduct comprehensive analysis of accident data, and track identified black and emerging spots in real-time to promptly implement risk mitigation measures. Additionally, we are committed to increasing awareness about road safety among communities adjacent to our roads by organizing awareness campaigns and leveraging digital communications, such as informative videos, to promote responsible road behaviour.

2. Metrics and Performance Oversight

2.1 Sustainability:

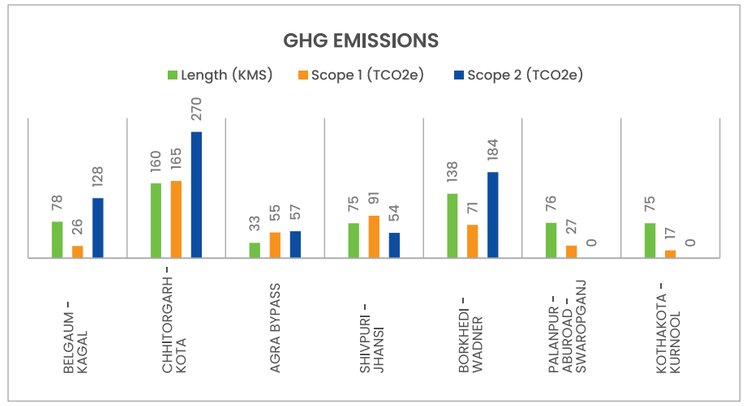
We are regularly monitoring the following parameters to define our carbon footprint abatement plan:

I. GHG Emissions in Main and Ancillary Functions

II. Water Consumption

A substantial part of our Scope 1 and Scope 2 GHG emissions arise from fuel consumption for both main and ancillary functions, as well as electricity consumption for powering facilities such as toll plazas, site offices, and highway lighting.

The GHG Emissions for all assets (Apr'23 to Mar'24 – tCO2e)



2.2 Occupational Health and Safety –

We measure OHS performance using several leading and lagging indicators to comprehensively assess and monitor our safety performance.

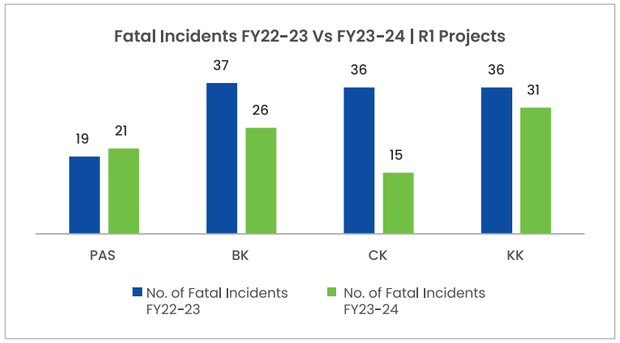
Leading and Lagging indicators dashboard – FY 23-24

41,53,264	• Total Man Hours Worked	0	• LTI (Lost time injury)
41,53,264	• Total Safe Man Hours Worked	0	• Accident Severity Rate
12,995	• Number of Toolbox Talk Conducted	0	• Accident Frequency Rate
144	• Safety review Meeting	0	• Fatality
9,595	• Number of Safety Observation reported and complied		
134	• Number of Mock drills Conducted		
139	• Number of Near Miss Cases		

2.3 Road Users' Safety

Our unwavering dedication to road safety underscores our commitment to safeguarding lives and ensuring safe travel experiences on our roads. Through our collective efforts and interventions, we

have successfully reduced Road User Fatal accidents by 27% year-over-year across Round 1 projects including Chhitorgarh-Kota, Belgaum-Kagal, Kothakota - Kurnool, and Palanpur-Aburoad-Swaropganj, demonstrating the substantial impact of our commitment to Road Safety.



3. Strategic Actions and Outcomes during the year

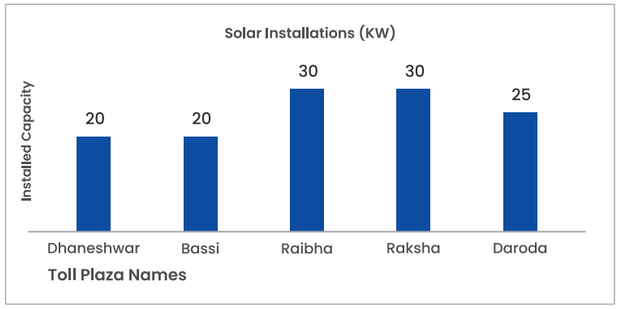
3.1 Replacement of HPSV (High-Pressure Sodium Vapor) lights by LED lights

Highway lightening/streetlights constitutes a significant portion of electrical energy consumption in highway assets, which forms part of our Scope 2 GHG emissions. To address this, we have replaced conventional 1557 HPSV, 214 high mast lights, and 124 canopy lights with more efficient LED light fixtures within project highways which are under NHIT's O&M obligation. This has led to reduction of 388 TCO2e emissions.

3.2 Roof-Mounted Solar Panels

As an alternative energy resource, we have installed 125 kW capacity solar power plants at some of our toll plazas on the rooftops of administrative buildings, within administrative building premises, or atop canopies with an estimated production of 200,000 KWh units per year.

A net metering facility is available at all these sites, allowing them to consume electricity produced by the captive solar plants at any given point. Further, we are exploring opportunities to increase the installed capacities.



3.3 Fuel Efficiency Programs:

NHIT has implemented fuel efficiency programs to reduce the consumption of petrol and diesel across our operations. This includes adopting fuel-efficient vehicles and machinery, optimizing routing and scheduling to minimize fuel usage, and implementing maintenance protocols to ensure peak engine performance.



Rooftop installation at Bassi Toll Plaza



Ground mounted installation at Raksha Toll Plaza

4. Awareness and Capacity Building programs

4.1 Collaboration with IIT Madras

In collaboration with the Centre of Excellence for Road Safety (CoERS) at IIT Madras, we conduct the "Design Thinking for Operational Excellence in Road User Safety" program for our EHS personnel and Project Managers. This program leverages IIT Madras' expertise and innovative methodologies, equipping our team with the skills to proactively address safety concerns and cultivate a lasting safety culture. The benefits of this program extend beyond current projects, influencing NHIT's approach to safety and excellence in future endeavours.



4.2 Road Safety Week campaign

We conducted Road Safety Campaign across all sites from 15th January to 14th February 2024, following guidelines from The Ministry of Road Transport & Highways, making a positive impact on local communities. The campaign reached over 20,000 people through awareness programs, street plays, and road rallies, and included activities such as eye check-up camps and first aid kit distributions. Over 250 road safety awareness sessions were conducted for students and heavy vehicle drivers.













4.3 National Safety Week campaign

We observed the 52nd National Safety Week from 4th to 10th March, 2024 across the company to strengthen our safety culture and enhance EHS Awareness.





4.4 World Environment Day

We observed World Environment Day on 5th June, 2023, with week-long campaigns across all project sites. Activities included pledges to avoid single-use plastic, tree plantation drives around toll plazas, reusable cotton bag distribution, and clean-up drives to promote sustainability and environmental preservation.



EXECUTIVE SUMMARY ON VALUATION OF NATIONAL HIGHWAYS INFRA PROJECTS PRIVATE LIMITED AND NHIT WESTERN PROJECTS PRIVATE LIMITED, WHOLLY OWNED SUBSIDIARIES OF NATIONAL HIGHWAYS INFRA TRUST, AS OF 31ST MARCH 2024

Private and Confidential

Date: 27th May, 2024

National Highways Infra Investment Managers Private Limited
G-5 & 6, Sector-10, Dwarka, Delhi - 110075

Sub: Executive Summary on Valuation of Specified SPVs (as defined below) of National Highways Infra Trust, pursuant to SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations")

Dear Sir,

We refer to our appointment letter dated 17th May, 2023 wherein RBSA Valuation Advisors LLP ("RBSA") was appointed by National Highways Infra Investment Managers Private Limited ("NHIIMPL"/ the "Investment Manager") for valuation of Specified SPVs (as defined below), as an independent valuer, as per Regulation 2(zzf) of the SEBI (Infrastructure Investment Trust) Regulations, 2014 ("SEBI InvIT Regulations") as at 31st March, 2024 ("Valuation Date").

NHIT Western Projects Private Limited ("NWPPL") (Formerly known as National Highways Infra Projects Private Limited ("NHIPPL") and NHIT Eastern Projects Private Limited ("NEPPL") are wholly owned subsidiaries of National Highways Infra Trust ("NHIT" or the "Trust" or "InvIT") and have been incorporated as special purpose vehicles to operate and maintain the road projects. NHIT Western Projects Private Limited, formerly known as National Highways Infra Projects Private Limited, was renamed on 13th May, 2024. NWPPL and NEPPL are together referred as the "Specified SPVs".

NWPPL has entered into concession agreements with National Highway Authority of India ("NHAI" or "Sponsor") to operate, maintain and transfer 8 Toll Road projects, under the Toll, Operate and Transfer ("TOT") model (together referred to as "NWPPL Projects" and individually referred to as the "Project"). NHIT Eastern Projects Private Limited, have entered into concession agreement with NHAI to operate, maintain and transfer 7 Toll Road projects, under the TOT model (together referred to as "NEPPL Projects" and individually referred to as the "Project"). NHIPPL Projects and NEPPL Projects are together referred to as the "Specified Projects".

The details NWPPL Projects are as under:

Sr. No	Name of Section	NH	Total Length (Kms)	Toll Plaza	Start Kms	End Kms
1	Abu Road – Swaroopganj	NH-27	31.000	Undavariya	646.000	677.000
2	Chittorgarh – Kota & Chittorgarh Bypass	NH-27	160.500	Bassi, Aroli and Dhaneshwar	891.929	1052.429
3	Palanpur/ Khemana – Abu Road	NH-27	45.000	Khemana	601.000	646.000
4	Kothakota Bypass - Kurnool Highway	NH-44	74.622	Pullur	135.469	211.000
5	Maharashtra / Karnataka Border (Kagal) Highway	NH-48	77.705	Hattargi and Kognoli	515.000	592.705
6	Agra Bypass	NH-2 – NH-3	32.800	Raibha	176.800 KM of NH-2	13.030 KM of NH-3
7	Shivpuri to Jhansi	NH-27	75.300	Raksha	1305.000 KM of NH-27	1380.387 KM of NH-27
8	Borkhedi-Wadner-Deodhari-Kelapur	NH-44	138.150	Daroda and Kelapur	36.600 KM of NH-44	175.600 KM of NH-44

Source: Information provided by the Management of NHIIMPL

The details of NEPPL Projects are as under:

Sr. No	Name of Section	NH	Total Length (Kms)	Toll Plaza	Start Kms	End Kms
1	Assam Package (AS-Patgaon & Dahalapara)	NH-27	114	Dahalapara	961.500 KM of NH-27	1013.000 KM of NH-27
				Patgaon	30.000 KM of NH-27	92.671 KM of NH-27
2	Orai-Bara	NH-27	63	Usaka	1515.713 KM of NH-27 (LHS) and 1578.360 KM of NH-27 (RHS)	1578.872 KM of NH-27 (LHS) and 1515.713 KM of NH-27 (RHS)
3	Assam (Galia)	NH-27	27	Galia	1013+000 KM of NH-27	1040.300+000 KM of NH-27
4	Chichra-Kharagpur	NH-49	56	Balibhasha	185.150 KM of NH-49	129.000 KM of NH-49
5	Rewa-Katni-Jabalpur-Lakhnadon	NH-30 & NH-34	287*	Odhaki Paipkhar	656.000 KM of NH-30	725.185 KM of NH-30
				Kherwasani	725.185 KM of NH-30	813.257 KM of NH-30
				Mohtara	813.257 KM of NH-30	880.600 KM of NH-30
				Boharipar	880.600 KM of NH-30	1428.557 KM of NH-34

Sr. No	Name of Section	NH	Total Length (Kms)	Toll Plaza	Start Kms	End Kms
6	Lakhnadon- Khawasa	NH-44	107	Madai	546.420 KM of NH-44	653.770 KM of NH-44
				Khawasa		
7	Hubbali- Haveri-Chitradurga	NH-48	214	Chitradurga Bypass	0.000 KM of NH- 48	20.700 KM of NH- 48
				Chitradurga Davanagere	208.000 KM of NH- 48	260.000 KM of NH- 48
				Davangere Haveri	260.000 KM of NH- 48	338.923 KM of NH- 48
				Haveri Hubli	340.000 KM of NH- 48	403.000 KM of NH- 48

We have analyzed the information provided by/ on behalf of the Investment Manager through broad inquiry, analysis and review but have not carried out a due diligence or audit of such information. We have relied on the explanations and information provided by/ on behalf of the Investment Manager. We have no present or planned future interest in the Sponsor, the Specified SPVs or the Investment Manager except to the extent of our appointment as an independent valuer. Our professional fees for the valuation are not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust, the Specified SPVs or the Investment Manager.

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

Valuation Analysis

The Discounted Cash Flow ("DCF") method under the Income Approach has been adopted for the Enterprise Valuation of the Specified SPVs. Free Cash Flow to Firm method under DCF has been applied based on the projected financial statements of the Specified SPVs provided by the Management of NHIIMPL (the "Management"). The Enterprise Value has been computed by discounting the projected free cash flows to the firm beginning from 1st April, 2024 until the end of the respective concession periods of the Specified Projects, using a Weighted Average Cost of Capital ("WACC") of 10.50% for NHIPPL and 10.40% for NWPPL computed as of the Valuation Date.

The Enterprise Valuation of the Specified SPVs as of 31st March, 2024 has been carried out considering inter-alia Traffic Study Reports and Technical Due Diligence Reports of independent consultants, Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Management, industry analysis and other relevant factors.

The Valuation summary of the Specified SPVs as of 31st March, 2024 is as follows:

(All amounts are in ₹ Cr)

Particulars	NHIPPL	NWPPL
Enterprise Value	**12,202.0**	**15,512.2**
Less: Debt	(9,945.3)	(13,327.5)
Less: Debt like items	(0.1)	-
Add: Cash and cash equivalent	149.1*	7.7
Equity Value	**2,405.6**	**2,192.4**

**Cash and cash equivalent as at 31st March, 2024 excludes fixed deposits aggregating ~₹ 5.1 Cr which was earmarked by the Bank of Maharashtra ("BoM") for issue of Performance Guarantee to NHAI. Management represented that this FD is expected to be released once non-fund limit by BoM is sanctioned. Considering the aforementioned, working capital as at 31st March, 2024 includes the aforementioned FD and the same is projected to be released in the subsequent period.*

This letter should be read in conjunction with our detailed Report for the valuation of the Specified SPVs, including the Assumptions and Limiting Conditions stated therein.

Thank you

For **RBSA Valuation Advisors LLP,**
(RVE No.: IBBI/RV-E/05/2019/110)

Name: Ravishu Vinod Shah
Designation: Partner
Asset Class: Securities or Financial Assets (RV No.: IBBI/RV/06/2020/12728)



DETAILS OF CHANGES DURING THE 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

The Project SPV-2, NHIT Eastern Projects Private Limited (NEPPL) had entered into seven concession agreements with National Highways Authority of India ("NHAI") on 7th March, 2024 at a consideration totalling to ₹ 15,699.88 Crores, for Tolling, Management, Maintenance and Transfer of seven toll road projects for a period of 20 years from the Appointed Date. The Appointed Date will commence on 1st April, 2024. More details of the toll roads acquired are covered separately in this Report.

b. Valuation of assets and NAV (as per the full valuation reports)

The Valuation Report (as received from the valuer, RBSA Valuation Advisors LLP) provides the valuation of the assets of the trust as ₹ 27,714.2 Crores (Equity valuation of ₹ 4,598.0 Crores). The NAV as computed by the management on the basis of valuation done by the valuer is ₹ 125.46 per unit (pre-distribution)

c. Borrowings or repayment of borrowings (Standalone and Consolidated)

The Trust has during the year availed long term loans cumulating to ₹ 8,847 Crores from six banks/NBFCs for the purpose of investment or on- lending by the Trust in the Project SPV-1, NWPPL (formerly known as NHIPPL) and NEPPL.

Details of External Borrowings

(All amounts are in ₹ Crores)

Particulars	As on March 31, 2024 (Long Term Borrowing)	As on March 31, 2023 (Long Term Borrowing)
Carrying amount of debt at the beginning of the year	2,941.58	1,465.38
Add:- Additional borrowings during the year	8,847.00	1,500.00
Less:- Repayments during the year	(37.60)	(10.11)
Ind AS adjustments		
- Transaction Costs	(17.23)	(14.32)
- Unwinding of interest	0.74	0.64
Carrying amount of debt at the end of the year	**11,734.49**	**2,941.58**

(All amounts are in ₹ Crores)

As at March 31, 2024	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	10,248.10	100.54	268.62	9,878.94
Non-Convertible Debentures	1,486.39	-	-	1,486.39
Total	11,734.49	100.54	268.62	11,365.33

(All amounts are in ₹ lakh unless otherwise stated)

As at March 31, 2023	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	1,455.70	20.00	60.00	1,375.70
Non-Convertible Debentures	1,485.88	-	-	1,485.88
Total	2,941.58	20.00	60.00	2,861.58

d. Credit rating

There has been no change in the credit ratings of the NHIT. As such the ratings have been confirmed by both the credit rating agencies as under:

India Rating & Research AAA

Care Ratings Limited AAA

e. The have been no changes in the Sponsor, Investment Manager, Trustee, Valuer

f. Clauses in Trust Deed, Investment Management Agreement or any other agreement entered into pertaining to activities of InvIT

There has been no changes in clauses in Trust Deed, Investment Management Agreement or any other agreement pertaining to the activities of InvIT.

Note:

During the year following changes have been made in the Trust Deed, Debenture Trust Deed and Investment Management Agreement:

i. Pursuant to the approval of Board at its meeting held on 22nd May, 2023 and Unitholders at its meeting held on 24th July, 2023, the Investment Management Agreement (IMA) was amended for increase in the Management Fees payable to Investment Manager.

ii. Pursuant to the SEBI (Issue and Listing of Non- Convertible Securities) (Amendment), Regulations, 2023, dated 2nd February, 2023, the Debenture Trust deed has been amended by executing Master Supplementary Debenture Trust Deed for incorporating the provisions for appointment of such person nominated by Debenture Trust Deed, if any.

iii. Pursuant to SEBI (Infrastructure Investment Trusts) (Second Amendment) Regulations, 2023 dated 18th August, 2023 and SEBI circular dated 11th September, 2023, the Investment Management Agreement and Trust Deed was amended to incorporate the provisions of Board Nominations rights by the eligible unitholders(s).

iv. Pursuant to acquisition of Project Leap and issuance of units by way of Private Placement by National Highways Infra Trust ("NHIT") the Project Implementation and Management Agreement was amended and restated on 7th March, 2024.

g. There have been no regulatory changes that in the opinion of the management could have a material impact the cash flows of the underlying project.

h. There have been no change in any material contract or any new risk in the performance of any contract pertaining to the InvIT except amendment in Project Implementation and Management Agreement ("PIMA") dated 7th March, 2024.

Further a Deed of Adherence has been entered into between National Highways Infra Investment Managers Private Limited (acting in its capacity as Investment Manager to the Trust), IDBI Trusteeship Services Limited (acting in its capacity as Trustee to the Trust), National Highways InvIT Project Managers Private Limited (acting in its capacity as Project Manager to the Trust), NHIT Western Projects Private Limited ("NWPPL" or "Project SPV-1") (formerly known as National Highways Infra Projects Private Limited ("NHIPPL")) and NHIT Eastern Projects Private Limited ("NEPPL" or "Project SPV-2") to extend the scope of PIMA for the Project Leap assets.

i. There have been no legal proceedings which have a significant bearing on the activities or revenues of cash flows of the InvIT.

j. NHIT has incorporated a new subsidiary NHIT Eastern Projects Private Limited (NEPPL) on which has acquired seven new road projects from NHAI during the year and has raised funds for this purpose through institutional and preferential route. For other material changes during the year please refer disclosures as reported to respective stock exchanges.

Details of the Sponsor - National Highways Authority of India ("NHAI")

NHAI is an autonomous body under MoRTH, and was established on 15th June, 1989, by the NHAI Act, as a body corporate, having a perpetual succession and common seal. It was made operational in February, 1995, with the appointment of the Chairman and other Members. NHAI is responsible for the development, maintenance and management of the national highways in India entrusted to it by the Central Government.

NHAI has an all-India presence through its different offices (regional offices/project implementation units/ corridor management units) in different cities. The functioning of NHAI is governed by NHAI Act, and the rules and regulations framed thereunder.

Pursuant to Section 17 of the NHAI Act, NHAI may receive additional capital and grants from the Central Government to discharge its functions. Additionally, NHAI has not issued any shares against such capital or grants invested by the Central Government.

As per Section 3(3) of the NHAI Act, NHAI shall consist of: (i) a chairman; (ii) not more than six full-time members; and (iii) not more than six part-time members, and each of the above shall be appointed by the Central Government by notification in the official gazette.

List of Board Members of NHAI:

- **Mr. Santosh Kumar Yadav - Chairman**

Full Time Member

- Mr. NRVVMK Rajendra Kumar - Member (Finance)
- Mr. K.Venkata Ramana - Member (PPP)
- Mr. Alok Deepankar -Member (Technical)
- Mr. Vinay Kumar Rajawat - Member (Project)
- Mr. Anil Choudhary - Member (Project)
- Mr. Vishal Chauhan - Member (Admin)

Part Time Member

- Mr. B.V.R. Subrahmanyam - CEO Niti Aayog
- Dr. T. V. Somanathan - Secretary, Department of Expenditure
- Mr. Anurag Jain - Secretary, Ministry of Road Transport & Highways
- Mr. Dharmananda Sarangi - DG(RD)&SS
- Prof. Manoj Kumar Tiwari - Director, IIM, Mumbai (Non-Government Members)
- Mr. Rajnish Kumar - Former Chairman, State Bank of India (Non-Government Members)

Changes in Board Members during the Year till the date of this report:

Changes in Full time Members

- Mr. Mahabir Singh has relinquished the charge of Member (Technical) w.e.f. 21st July, 2023; and Mr. Vinay Kuma Rajawat has assumed the charge of Member (Technical) w.e.f. 22nd July 2023 and relinquished the charge w.e.f. 11th September, 2023; and thereafter Mr. Alok Deepankar, has assumed the charge of Member (Technical) w.e.f. 12th September, 2023.

- Mr. Vinay Kumar Rajawat, has assumed the charge of Member (Project) of NHAI w.e.f. 12th September, 2023.
- Mr. Manoj Kumar has relinquished the charge of Member (Project) w.e.f. 12th July, 2023, and Mr. Sudip Chaudhury has assumed the charge of Member (Project) of NHAI w.e.f. 13th July, 2023 and relinquished the charge w.e.f. 26th September, 2023 and thereafter Mr. Anil Chaudhary has assumed the charge of Member (Project) w.e.f. 27th September, 2023.
- Mr. K Venkata Ramana, Member (PPP) of NHAI has relinquished the additional charge of Member (Admin) w.e.f. 3rd October, 2023 and Mr. Vishal Chauhan, IAS has assumed the charge of Member (Admin) w.e.f. 4th October, 2023.

Changes in Part time members

- Ms. Alka Upadhyaya has relinquished the charge of Secretary, Ministry of Road Transport & Highway w.e.f. 20th April, 2023 and Mr. Anurag Jain has assumed the charge of Secretary, Ministry of Road Transport & Highway w.e.f. 21st April, 2023.
- Mr. P.V.V.S. Ravi Prasad has relinquished the charge of DG(RD)&SS w.e.f. 17th January 2024 and Mr. Dharmananda Sarangi has assumed the charge of DG(RD)&SS w.e.f. 15th January 2024.
- Prof. Manoj Kumar Tiwari (Director IIM, Mumbai) and Mr. Rajnish Kumar (Former Chairman, State Bank of India) has assumed the Charge of Non-Government Part Time Members, w.e.f. 4th April, 2024 and 5th April 2024 respectively.

Details of the Investment Manager – National Highways Infra Investment Managers Private Limited

National Highways Infra Investment Managers Private Limited was incorporated as a Private Limited Company on 25th July, 2020, under the Companies Act, 2013. The Investment Manager was initially incorporated as a wholly owned subsidiary of NHAI. Subsequently, NHAI transferred its entire shareholding in the Investment Manager to the President of India, acting through the Ministry of Road Transport and Highways, Government of India. Accordingly, at present, the Investment Manager is a Government Company as defined under the Companies Act, 2013, as amended. The CIN of the Investment Manager is U65929DL2020GOI366835.

The principal business of the Investment Manager in terms of its memorandum of association is, *inter alia*:

(a) to carry on the business of acting as investment manager investment adviser, trustee, settler, sponsor, promoter, portfolio manager, manager, administrator, attorney, agent, consultant, representative or nominee of or for any collective investment schemes, trusts, special purpose vehicles, infrastructure investment trusts, real estate investment trusts, properties and/or assets of any kind, including any fund set up, formed or established in India or in any other country by the Company or by any other person including bodies corporate, limited liability partnerships, partnerships, trusts, societies, associations of persons or by government, state or local authority (whether incorporated or not) of any other agency or organisation with respect to any class of assets, and to thereby settle, administer, manage, deploy funds, acquire, take up, manage, invest, hold, sell, deal or dispose of all or any property, investments, securities or other assets of any kind whatsoever, acting in such capacity;

(b) to negotiate and obtain concessions from the appropriate Government/ s for the rights to build, operate and own or transfer highways, interchangers, viaducts and bridges and any other structures, buildings and services that are ancillary thereto in India and upon such terms for such benefits as may be set forth in the concessions or negotiated from time to time and generally to carry on the business of owners, operators or toll collectors or concessionaires of highways, bridges, tunnels, railways, ports, airports, public utilities, telecommunication facilities and any other rights, properties, utilities and services wherever situated; and

(c) to carry on the business of builders and contractors for the construction, upgradation, maintenance and repairs of roads, highways, bridges, viaducts, buildings, interchangers, tunnels, railways, ports, airports, public utilities, telecommunication and other related works and generally to carry on the business of engineers, contractors, consultants, advisors, managers and administrators in all its branches, mechanical, electrical and telecommunication, engineering and incidental thereto, to provide financing or act as guarantors for project financing to owner where to required.

The Trustee i.e. IDBI Trusteeship Services Limited, vide their letter dated 31st July, 2020, appointed NHIIMPL as the Investment Manager of the proposed Trust, based on the recommendation of the Sponsor.

List of Directors of Investment Manager Company

Mr. Suresh Goyal, Managing Director & CEO
Mr. Shailendra Narain Roy, Independent Director
Mr. Mahavir Parsad Sharma, Independent Director
Mr. Sumit Bose, Independent Director
Mr. Pradeep Singh Kharola, Independent Director
Ms. Usha Rao Monari, Independent Director
Mr. N R V V M K Rajendra Kumar, Nominee Director
Mr. Vinay Kumar, Nominee Director
Mr. Pushkar Kulkarni, Unitholder Nominee Director
Mr. Debapratim Hajara, Unitholder Nominee Director

Changes in Directors during the year till the date of this report:

- Mr. Bruce Ross Crane resigned as Non-Sponsor Director of the Company with effect from 7th November, 2023
- Ms. Kavita Saha resigned as Non-Sponsor Director of the Company with effect from 8th November, 2023
- Pursuant to the provisions of Regulation 4(2)(h) of SEBI InvIT Regulations, read with SEBI Circular dated 11th September, 2023, Mr. Pushkar Vijay Kulkarni and Mr. Debapratim Hajara were appointed as Unitholder Nominee Directors with effect from 8th November, 2023.
- Mr. Amit Kumar Ghosh resigned as a Nominee Director of the Company with effect from 15th November, 2023
- Pursuant to the MoRTH letter dated 15th March, 2024, Mr. Vinay Kumar has been appointed as a Nominee Director, representing MoRTH with effect from 27th March, 2024
- Ms. Usha Rao Monari has been appointed as Independent Director for a term of 5 years with effect from 16th April, 2024.

Details of the Trustee - IDBI Trusteeship Services Limited

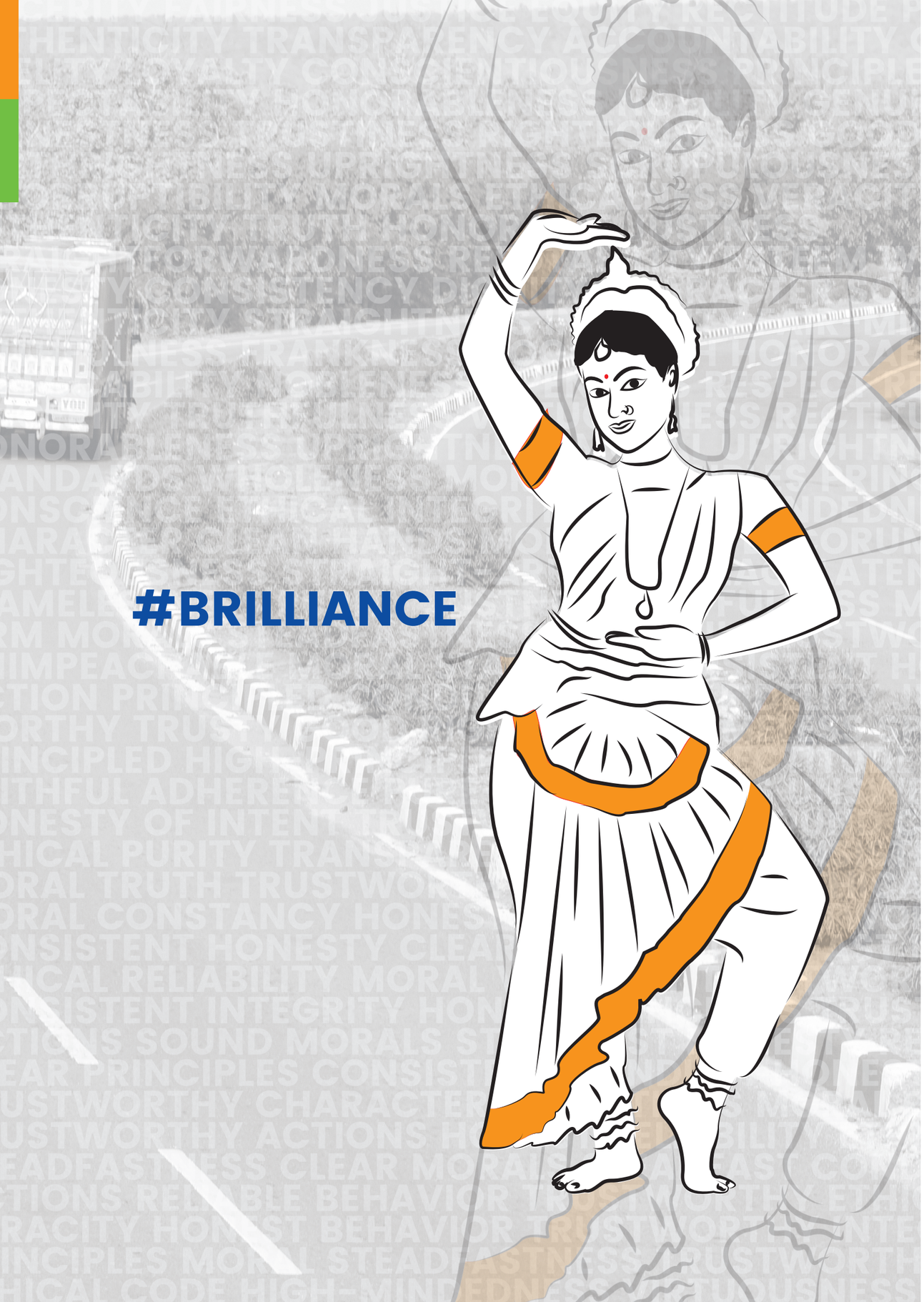
IDBI Trusteeship Services Limited is the Trustee of the Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee. The Trustee has obtained a certificate of registration dated 14th February, 2017 (having registration code IND000000460), which is valid until suspended or cancelled by SEBI. The Trustee was incorporated in India under the Companies Act, 1956 with Corporate Identity Number("CIN") U65991MH2001GOI131154. The Trustee was originally incorporated on 8th March, 2001 at Mumbai, 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, Maharashtra. The Trustee is jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation for providing corporate and other trusteeship services.

List of Directors of the Trustee

Mr. Pradeep Kumar Jain
Mr. Pradeep Kumar Malhotra (MD & CEO)
Ms. Baljinder Kaur Mandal
Ms. Jayakumar S. Pillai (Chairman)

Changes in Directors of ITSL during the year till the date of this report:

- Mr. J. Samuel Joseph resigned as a Director with effect from 18th April, 2023
- Mr. Jayakumar S. Pillai appointed as Chairman on 18th July, 2023
- Ms. Jayashree Ranade resigned as a Director with effect from 18th April, 2024



UNIT PRICE PERFORMANCE & DISTRIBUTIONS

UNIT PRICE PERFORMANCE

BSE

Figure in ₹

Financial Year	Highest	Lowest	Closing price as on March 31
2021-22	116.10	101.99	116.10
2022-23	Nil Trade		
2023-24	125.75	116.45	125.75

NSE

Figure in ₹

Financial Year	Highest	Lowest	Closing price as on March 31
2021-22	109.00	101.25	109.00
2022-23	120.00	109.70	109.74
2023-24	126.25	113.00	126.25

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

Figure in ₹

Particulars	BSE	NSE
At the beginning of the financial year	118.75	113.00
At the end of the financial year	125.75	126.25
The highest traded price	125.75	126.25
The lowest traded price	116.45	113.00

During the year, the total volume traded on NSE is 7,04,00,000 and BSE is 2,00,00,000

During the Financial year the total Units that had been traded on NSE and BSE are 5.37% and 1.52% respectively corresponding to a volume weighted average of 4,67,09,829 units and 2,00,95,794 units on NSE and BSE respectively.

S. No.	Top 5 Unitholders of National Highways Infra Trust as on 31st March, 2024	Sum of BENUNITS	BSE (in %)	NSE (in %)
1	CPP INVESTMENT BOARD PRIVATE HOLDINGS 4 INC	32,80,50,150	25.00%	25.00%
2.	2452991 ONTARIO LIMITED	32,80,50,150	25.00%	25.00%
3	NATIONAL HIGHWAYS AUTHORITY OF INDIA	20,30,72,000	15.48%	15.48%
4	SBI MUTUAL FUND	12,69,43,650	9.67%	9.67%
5	NPS TRUST- A/C SBI PENSION FUND SCHEME	2,70,54,770	2.06%	2.06%

DISTRIBUTIONS MADE

The Investment Manager on behalf of National Highways Infra Trust has made the following Distributions:

Financial Year	Total Distribution per Unit	Distribution per Unit		Return of Capital Per Unit	Dividend per Unit
		Interest	Other Income		
2021-22	0.790	0.705	0.084	0	0
2022-23	6.371	6.310	0.060	0	0
2023-24	6.603	6.502	0.101	0	0



LEGAL AND OTHER INFORMATION

Except as stated in this section, there are no material litigations and actions by regulatory authorities, in each case against the Trust, the Project SPV, the Sponsor, the Investment Manager, the Project Manager or any of their respective Associates and the Trustee as on the date of the Annual Report.

I. Litigations involving the Trust

There are no pending criminal, regulatory or other material litigations involving the Trust as on the date of the Annual Report.

II. Litigations involving Associates of the Trust

As on the date of the Annual Report, the Trust does not have any Associate.

III. Litigations involving the Project SPV

There are no pending criminal, regulatory or other material litigations involving the Project SPV as on the date of the Annual Report.

IV. Litigations involving the Associates of the Project SPV

Please see the section entitled *"– Litigations involving the Associates of the Sponsor"* below.

V. Litigations involving the Sponsor

Criminal matters

There are no pending criminal litigations involving the Sponsor as on the date of the Annual Report.

Regulatory matters

1. An application was filed by Amresh Singh against Union of India and others including NHAI before the National Green Tribunal (**"Tribunal"**) alleging the rampant dumping of soil by NHAI contractors directly in the river Chenab and Tawi without prior environmental clearance. After considering all the documents placed on record, while referring the report of Monitoring Committee, the Tribunal was not satisfied with the actions taken by NHAI, and accepted the recommendations of the Monitoring Committee and directed the J&K Pollution Control Board to take appropriate actions in consultation with CPCB against the names mentioned in the report of the Monitoring Committee. The Bench also directed NHAI to take strict actions against the non-compliant contractors and sub-contractors at the HQ level. The matter is currently pending.

2. An application was filed before the National Green Tribunal Principal Bench, New Delhi regarding the Ghazipur Dump Site and the environmental problems that are caused due to the unsegregated, un-recycled large mountain of dump. The Sponsor was not a party to these proceedings till 2017 and East Delhi Municipal Corporation (**"EDMC"**) had been exploring the implementation of a project to undertake the removal and processing of the municipal solid waste dumped at the site. In view of the same, the EDMC held discussions with the Sponsor for use of solid waste for construction of embankments in the expansion of NH-24 or other National Highway projects undertaken by the Sponsor. In view of our role, we were impleaded in the case in 2017. The matter is currently pending.

Material civil matters

The following material civil cases are initiated by Contractors/Concessionaires (hereinafter mentioned as the "***Claimant***") against the Sponsor in relation to various projects across India:

Arbitrations

1. Abhijeet Angul Sambalpur Toll Road Limited has initiated arbitration proceedings against the Sponsor in relation to the rehabilitation and up-gradation of four laning of the Angul-Sambalpur section of NH-42 in the State of Odisha. The claims raised relate to the compensation for losses suffered by the Claimant on account of delay in procurement of site and necessary approvals, wrongful termination of the concession agreement and debarment from participation in bidding for future projects of the Sponsor. The claims raised by the Claimant amount to ₹ 21070 million. The Sponsor has also filed counter claim for ₹ 1,282,7.20 million. The matter is currently pending.

2. Madhucon Projects Ltd. (Barasat Krishnagar Expressway Limited) has initiated arbitration proceedings against the Sponsor in relation to Barasat-Krishnagar Section BOT (Annuity) in the State of West Bengal. The claims filed by the Claimant for loss due to interest on debt, loss due to interest on equity infused into the project, losses due to idling/underutilisation of machinery and equipment, losses due to idling/ underutilisation of manpower, losses due to miscellaneous expenditure incurred at site, compensation due to delay in handing over of site, losses due to price escalation on the works already executed, losses due to expenses incurred on the works executed, loss of overheads and profit and total termination payment. The Claimant has raised a claim for ₹ 2,1398.90 million. The Sponsor has also filed counter claims against the Claimant for ₹ 10,606.80 Million. The matter is currently pending.

3. M/s Raipur Expressway Limited has initiated arbitration proceedings against the Sponsor in relation to improvement, operation, maintenance and strengthening of existing 2-lane road and widening to 4-lane divided highway from Km 239.000 to Km 281.000 of NH-6 (Raipur- Aurung Section) in the state of Chhattisgarh on BOT basis. The claims were filed by the Claimant for compensation due to delay in declaration of appointed date, compensation due to extension of time for project completion, damages for delay in providing right of way (ROW), claim on account of change of scope, claim for interest on delayed payments by the respondent, claim for loss of bonus due to arbitrary withdrawal of provisional completion certificate, claim on account of delay in releasing bank guarantees for retention money and claim for expenses and loss of profit due to delay in release of performance security. The Claimant has raised a claim for ₹ 10,121.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 4,231.70 million. The matter is currently pending.

4. M/s Ashoka Highway (Durg) Limited has initiated arbitration proceedings against the Sponsor in relation to design, engineering, finance, construction, operation & maintenance of end of Durg Bypass- Chhattisgarh/ Maharashtra Border from Km 322.400 to Km 405.000 of NH-6 under NHDP. The Claimant has raised a claim for ₹ 2866.10 million. The Sponsor has also filed counter claims against the Claimant for ₹ 56.60 million. The matter is currently pending before arbitral tribunal. However, as both the parties want to settle the disputes, the matter has now been referred to conciliation committee (CCIE), with the consent of the parties, in terms of the policy circular dated 2nd June, 2017.

5. Jetpur Somnath Tollways Limited has initiated arbitration proceedings against the Sponsor in relation to Jetpur Somnath Section BOT (Toll). The claims filed by the Claimant for damages under the respective concession agreement for delay in non-fulfilment of all conditions precedent set forth in the concession agreement, Compensation for additional costs incurred by the Claimant towards deployment of plants, machineries and equipment during the extended construction period from 1st October, 2014, up to 10th November, 2016, compensation for additional cost incurred on account of inflation/price escalation of major input costs during the extended construction period from 1st October, 2014, up to 10th November, 2016, additional interest liability towards lenders (IDC) during construction period on account of extended construction period, compensation for additional cost incurred on account of EPC overheads during the extended construction period from 1st October, 2014, up to 10th November, 2016, additional compensation for delay (as per actuals/anticipated in the financial model) for the project period till September, 2016 on account of inability to collect toll fee for the entire stretch resulting from various material defaults by respondent, additional SPV incorporation charges

resulting due to infusion of increased equity by the shareholders on account of material defaults by the respondent and interest cost on such shareholder's equity (unsecured debt from shareholders). The Claimant had raised a claim for ₹ 13,096.00 million. The Sponsor had also filed counter claims against the Claimant for ₹ 8,472.10 million. An award of ₹ 12,130 million in favour of the Claimant in the matter has been passed on 31st July, 2021. The matter is no more pending in Arbitration.

6. Gwalior Jhansi Expressways Limited has initiated an arbitration proceeding against the Sponsor in relation to the designing, development and maintenance of certain sections of NH-75 in the States of Uttar Pradesh and Madhya Pradesh. The claims relate to compensation for non-payment of annuities and interest, for additional direct costs incurred by the Claimant due to material breach of the concession agreement and additional costs incurred by the Claimant in respect of interest payments during the construction period beyond the scheduled project completion date. The claims raised by the Claimant amount to ₹ 20,611.5 million. The Sponsor has also filed a counter claim against the Claimant for the failure relating to compliance of the maintenance obligation, reimbursement of one-half of remuneration, costs and expenses of the independent consultant, delayed cost due to time overrun and also on account of loss of toll revenue due to delay. The counter claim is for an amount of ₹ 13980.00 million. The said matter is currently pending.

7. M/s Indore Dewas Tollways Limited has initiated arbitration proceedings against the Sponsor in relation to 6-laning of Indore-Dewas Section of Nh-3 from Km 577.550 to Km 610.000 and Km 0.000 to Km 12.600 (approx length 45.05Km) in the State of Madhya Pradesh under NHDP Phase-V to be executed as BOT(Toll) project on DBFOT pattern. The claims filed by the Claimant for claim for utilization of resources beyond the scheduled 6-laning date, as envisaged in the respective concession agreement, compensation for Claimant's loss towards additional interest during construction, compensation towards Claimants loss of toll revenue attributable to respondents misrepresentation and subsequent default in maintaining feeder roads, refund of additional concession fee/premium paid by the Claimant, compensation/indemnification towards loss of profit claimants EPC contractor. The Claimant has raised a claim for ₹ 10709.60 million. The Sponsor has also filed counter claims against the Claimant for ₹ 5353.40 million. The matter is currently pending.

8. GVK Shivpuri Dewas Expressway Private Limited has initiated arbitration proceedings against the Sponsor in relation to the designing, development and maintenance of the Shivpuri-Dewas Section of NH-3 in the State of Madhya Pradesh. The claims raised by the Claimant relate to the return of the performance bank guarantee upon termination of the contract by us and compensation for the losses suffered by the Claimant due to delay in receiving environmental clearances. The claims raised by the Claimant amount to ₹ 5,521.40 million. The Sponsor has also filed a counter claim against the Claimant for amounts incurred on account of maintenance and management of the existing stretch, estimated expenses on account of retendering and on account of loss of premium. The counter claim is for an amount of ₹ 10,761.00 million. The matter has now been settled for release of Performance Bank Guarantee by NHAI amounting to ₹ 281.50 vide settlement agreement dated 16th September, 2021.

9. M/s GVK Deoli Kota Expressway Private Limited has initiated arbitration proceedings against the Sponsor in relation to design, construction, development, finance, operation and maintenance of four laning of Deoli-Kota Section of NH-12 from Km 165.000 to Junction of NH-76 on Kota Bypass (approx length 83.04 Kms) in the State of Rajasthan on BOT(Toll) project on DBFOT pattern under NHDP phase–II. The claims filed by the Claimant for claim on account of prolongation costs and extended stay at the site, loss suffered on account of additional overhead and loss of profit, loss of toll revenue, claim on account of increase in cost of the project due additional works done by the Claimant owing to the change of scope, claim on account of additional expenses incurred by the Claimant towards tunnel work, claim on account of excessive repair and prolonged maintenance duration of existing road, claim on account of the Respondent in making the termination payment and claim on account of future loss to Claimant. The Claimant has raised a claim for ₹ 60130.00 Million. The Sponsor has also filed counter claims against the Claimant for ₹ 5,657.60 million. The matter is currently pending.

10. Soma Isolux Kishangarh-Beawar Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to the "improvement, operation and maintenance, rehabilitation and strengthening of the existing 2 lane road and widening it to six-lane divided highway from km 364.125 to km 58.245 (approximately 93.56 km) on the Krishangarh-Ajmer-Beawer section of National Highway". The claim relates to compensation for increase in overheads due to extended construction period, for additional cost due to loss of productivity, idling and under-utilization of plant & equipment during the extended period and for costs incurred towards interest payments on debt during the extended construction period. The claims raised by Claimant amounts to ₹ 11,968.00 million. The Sponsor has also filed counter claims against Claimant for ₹ 3,109.5 million. The matter is currently pending.

11. Panipat Jalandhar NH One Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to six laning of Panipat-Jalandhar section of NH-1 (km 96.00 to km 387.100) in the state of Haryana and Punjab. The claims filed by the Claimant were in relation to delay in finalization of toll plaza and commencement of toll operations at approved locations, loss of fee revenue on account of defaults, extension of project completion schedule and change in scope and other claims. The Claimant has raised a claim for ₹ 70,359.00 million. The Sponsor has also filed counter claims against Claimant for ₹ 32,847.00 million. The matter is currently pending.

12. M/s. Shapoorji Pallonji & Company Private Limited has initiated arbitration proceedings against the Sponsor in relation to Jammu-Udhampur section BOT (Annuity). The claims filed by the Claimant in relation to declaration of provisional completion certificate date as 1st June, 2014 with consequential reliefs of bonus for the period from 7th January, 2014 to 31st May, 2014, determination of appointed date and payment of bonus from 5th July, 2014, compensation for additional cost arising out of change in methodology of rock excavation due from 10th July, 2014, and compensation for additional cost arising out of change in methodology of tunnel rock excavation from 17th October, 2014. The Claimant has raised a claim for ₹ 9,383.40 million. The Sponsor has also filed counter claims against the Claimant for ₹ 14,940.00 million. The matter has now been settled for ₹ 2826.7 million vide agreement dated 28th February, 2022.

13. M/s Bareilly Highways Project Limited has initiated arbitration proceedings against the Sponsor in relation to 4 laning of Bareilly-Sitapur section of NH-24 from Km 262.000 to Km 413.200 (approx. 151.200km) in the State of Uttar Pradesh under NHDP Phase-III of DBFOT basis. The claims filed by the Claimant were in relation to claim for additional interest on debt beyond SPCD (i.e. between 23rd August, 2013 to 31st January, 2019), interest for additional interest on debt beyond SPCD, claim for interest due on additional promoters contribution infused in the project, claim for interest due on delay release of grant, claim for expenses incurred by SPV company beyond SPCD, claim for interest for cost of land compensation, claim for net revenue loss from SPCD till 31st January, 2019, interest for net revenue loss from SPCD till 31st January, 2019, claim for interest on excess 50% independent engineering cost debit by the Sponsor, claim for reimbursement of GST on regular EPC invoices-change of law, claim for interest on claim of GST on change of scope & utility shifting, claim for direct expenses incurred by EPC contractor beyond SPCD, claim for plant and machinery rental/rehandling for extended period, claim for interest for plant and machinery/ rental/rehandling for extended period, claim for price escalation during the extended period, claim for interest for price escalation during the extended period, claim for expenses incurred on change of scope/ variation items, claim for interest for change of scope/variation items, claim for additional transportation cost due to ban in local mining at sites, claim for interest for additional transportation cost due to ban in local mining at sites. The Claimant has raised a claim for ₹ 37,211.40 million. The Sponsor has also filed counter claims against the Claimant for ₹ 35359.80 million. The matter is currently pending.

14. M/s Lucknow-Sitapur Expressways Limited has initiated arbitration proceedings against the Sponsor in relation to improvement, operation and maintenance including strengthening and widening of existing 2 lane road to 4 lane dual carriageway from km 488.270 - Km 413.200 of NH -24 (Lucknow Sitapur Section) in the State of Uttar Pradesh on BOT basis. The claims filed by the Claimant for revenue loss, revenue loss due to delay in COD, revenue loss from start of toll collection, EPC escalation, EPC additional overhead, EPC

overstay of plant and equipment, additional maintenance cost of EPC, loss of profit earning capacity, extra cost IDC, revenue loss due to overloading and claims for underpasses. The Claimant has raised a claim for ₹ 7,470 million. The Sponsor has also filed counter claims against the Claimant for ₹ 3270.00 million. The matter is currently pending.

15. M/s Tantia Raxaul Private Limited has initiated arbitration proceedings against the Sponsor in relation to 2 laning with paved shoulder of Pioprakothi to Raxaul Section of NH-28A from Km 0.600 to Km 62.064 in the state of Bihar. The claims filed by the Claimant were in relation to claim for termination payment for default of respondent, claim for non-finalisation of location and correct notification for toll plaza (along with interest at the rate of 18%), claim for delay in handover for land/ right of way/ site (along with interest at the rate of 18%), claim for additional interest during construction on account of extended construction period, claim for increased distance/lead for stone aggregate, claim for inflation/ price escalation (along with interest at the rate of 18%), claim for additional cost of maintenance, claim for increased overheads of concessionaire (along with interest at the rate of 18%), claim for increased overheads of EPC contractor (along with interest at the rate of 18%), claim for idling/underutilisation of plant, machinery & equipment, and claim for loss of profits of EPC contractor. The Claimant has raised a claim for ₹ 9,861.70 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,873.60 million. The matter is currently pending.

16. M/s Haridwar Highways Project Limited has initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Muzaffarnagar-Haridwar Section from Km 131.00 to Km 211.000 of NH-28 in the state of UP and Uttarakhand under NHDP Phase-II as BOT (Toll) on DBFOT pattern. The claims filed by the Claimant were in relation to financial expenses incurred by the Claimant beyond the scheduled commercial operation date till February, 2019, interest payable on compensation for delay in handing over of the land form from appointed date till February, 2019, interest due on delay towards release of grant from 7th February, 2013, up to February, 2019, claim for reimbursement of GST on regular bills/invoices of the Claimant from July, 2016, claims for expenses incurred by the Claimant on rentals of plants and machinery beyond SCOD, claims for expenses incurred by the Claimant on rentals of plants and machinery beyond SCOD till February 2019, claim for expenses incurred by the Claimant due to price escalation beyond the SCOD up to February 2019, additional transportation cost due to ban on mining at sites, claim for direct expenses incurred beyond SCOD up to February 2019, expenses incurred on existing road maintenance beyond SCOD and claim on account of amount recovered for Dehradun Highway Project Limited. The Claimant has raised a claim for ₹ 22,060.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 22,260.00 million. The matter is currently pending.

17. Madhucon (Madurai-Tuticorin Expressways Limited) has initiated arbitration proceedings against the Sponsor in relation to the "Design, Engineering, Finance, Construction, Operation and Maintenance of Madurai-Tuticorn Section from km 138.800 to km 264.50 of NH-45B in the State of Tamil Nadu under NHDP Phase IIIA". The claims relate to compensation payable due to prolongation of the project, refund of liquidated damages, change of scope of work, loss of business opportunity, loss on account of shortfall in revenue from the project and amount payable on account of price escalation during the extended period of construction. The claim raised by Claimant amounts to ₹ 81,993.10 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,902.60 million. The said matter is currently pending.

18. M/s Chennai Elevated Toll Way Limited has initiated arbitration proceedings against the Sponsor in relation to the new 4 lanes elevated road from Chennai Port to Maduravoyal (NH-4) in the State of Tamil Nadu under NHDP Phase-VII on BOT(Toll) basis. The claims filed by the Claimant were in relation to termination payment, claims payable to the EPC contractor, claim for additional cost due to idling/ underutilization/ prolongation of plants & equipment, loss of profit payable to the EPC contractor due to delay and termination of the contract, loss of opportunity to the EPC contractor due to delay and termination of the contract, claims for infructuous expenditure for setting up camps, site approach, road development etc. The Claimant has raised a claim for ₹ 41,071.80 million. The Sponsor has also filed counter claims against the Claimant for ₹ 21,632.70 million. The award of has been pronounced in this arbitration. The claimant has been awarded an amount of ₹ 21170.95 million and the sponsor has been awarded an amount of ₹ 260.10 million.

19. M/s MEP Chennai Bypass Toll Road Private Limited has initiated arbitration proceedings against the Sponsor in relation to operation and maintenance of Chennai Bypass section from Km 0.000 to Km 32.600 of NH-4 & 5 in the State of Tamil Nadu on OMT basis. The claims filed by the Claimant were in relation to amount due towards concession fee (up to 8th April, 2016), damages for non-completion of project facilities calculated up to 8th April, 2016, amount due towards non-fulfilment of condition precedent and damages for non-maintenance of project highway calculated up to 8th April, 2016. The Claimant has raised a claim for ₹ 5,033.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 8,704.30 million. The matter is currently pending.

20. M/s Kurukshetra Expressway Private Limited has initiated arbitration proceedings against the Sponsor in relation to 4 laning of Rohtak-Bawal section of NH-352 (Old NH-71) from Km 363.300 (Design Km 363.300) to Km 450.800 (Design Km 445.553) under NHDP-III in the State of Haryana on DBFOT basis. The claims were raised under the terms of the relevant concession agreement. The Claimant has raised a claim for ₹ 9,150.00 million. The matter is currently pending.

21. M/s JSR Mulbagal Tollways Private Limited has initiated arbitration proceedings against the Sponsor in relation to 4-laning of Mulbagal-AP/Karnataka Border Section of NH-75 (Old NH-4) from Km 216.912 to Km 239.100 in the state of Karnataka to be executed on design, build, finance, operate and transfer (DBFOT/ BOT) basis in BOT (Toll) mode under NHDP Phase-III. The claims filed by the Claimant are in relation to the amount payable to the Claimant in the event of termination by concessionaire and / or by the authority, the interest on the capital/equity of the concessionaire, loss for underutilization / idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion for about 29 months, loss of profit, loss of return envisaged by the concessionaire as a result of default of the authority, amount spent towards the short fall of subsistence revenue, losses due to price escalation, revenue that might have generated by the Claimant through advertisements and loss due COVID-19. The Claimant has raised a claim for ₹ 21,332.50 million. The Sponsor has also filed counter claims against the Claimant for ₹ 119.30 million. The award of ₹ 1060.47 million has been pronounced in favour of claimant.

22. M/s Rohtak Panipat Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Rohtak-Panipat Section of NH-71A from Km 0.00 (Km 63.300) of NH-10 to Km 80.58 (Km 83.500 of NH-1) in the State of Haryana on DBFOT basis under NHDP Phase-III. The claims filed by the Claimant were raised in terms of the relevant concession agreement. The Claimant has raised a claim for ₹ 11,509.30 million. The matter is currently pending and is under Conciliation.

23. M/s Ranchi Expressway Limited has initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Ranchi- Rargaon-Jamshedpur Section from Km 114.00 to Km 277.500 of NH-33 in the State of Jharkhand on BOT(Annuity) basis under NHDP Phase-II. The claims filed by the Claimant were in relation to payment towards value of work done, amount payable towards maintenance of existing road, refund of amount expended on interest during construction, compensation payable due to delay in handling over of land, extra expenditure due to escalation of cost of work done, loss incurred due to idling of machinery due to prolongation of project, loss of overheads due to prolongation of project, loss of overheads and profits on value of work done due to illegal termination and claim for amount of revenue loss (loss of annuity). The Claimant has raised a claim for ₹ 89402.50 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,6281.80 million. The matter is currently pending.

24. M/s Navayuga Bangaluru Tollways Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the Designing, Engineering, Finance, Construction, Operation and Maintenance of Access controlled highway project namely, the development and the capacity improvement of the existing carriageways from Km 10.000 to Km 29.500, on the Bangalore Nelamangala section of the National Highway No.4 (NH-4) in the State of Karnataka on BOT basis. The claims filed by the Claimant were in relation to Loss of

Toll Revenue, Force free run, Change in Law, Loss of Toll Revenue - Non Revision of Toll rates, Termination payment & Compensation, BG Charges, COVID. The Claimant has raised a claim for ₹ 15000.00 million. The Sponsor is yet to file its counter claims against the Claimant. The matter has been settled.

25. M/s Millennium City Expressways Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the 8/6 lane highway from Km 14.300 to km 42.000 at Delhi-Gurgaon section of NH-8 on BOT basis. The claims filed by the Claimant were in relation to the Loss of profit on account of closure of the Km 24 Toll Plaza (such amount calculated until 24th June, 2021), Loss of profit on account of commissioning of the competing/alternate road facilities alternatively, extend Concession Period by a period of ninety four (94) months, Loss of profit suffered due to failure to provide requisite security at the Main Toll Plaza, thereby resulted in loss of toll revenue from the residents of nearby 31 villages, Various works carried out by the Claimant as change of scope, which were over and above the Project Agreements, payment for which remains pending despite the Claimant having already completed such additional works, Compensation/ extension due to Demonetization, Compensation/extension due to Pandemic/Covid, On account of additional compliance with the Joint Action Plan that was over and above the Project Agreements. The Claimant has raised a claim for ₹ 24160.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 10440.00 million. The matter is currently pending.

26. M/s AE Tollway Ltd. has initiate arbitration proceedings against the Sponsor in relation to the 6-laning of Agra-Etawah Bypass Section of NH-2 from km. 199.660 to km, 323.525 under NHDP Phase-V in the State of UP on BOT (Toll) basis. The claims filed by the Claimant were in relation to the Additional cost incurred towards Interest during Construction (IDC) for the delayed Period, Additional direct cost incurred during the delayed period, Fixed Overhead (FOH) payable to EPC Contractor, Escalation cost. The Claimant has raised a claim for ₹ 13179.80 million. The Sponsor has filed a Counter-claims of ₹ 11875.10 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

27. Pink City Expressway Pvt. Ltd. has initiate arbitration proceedings against the Sponsor in relation to the 6 laning of Gurgaon-Kotputli-Jaipur Section of NH-8 from Km 42.700 to Km 273.00 (Length 225.60 Kms) in the State of Haryana & Rajasthan to be executed as BOT (Toll) on DBFOT pattern under NHDP PH-V. (Ref-III). The claims filed by the Claimant were in relation to the delay in handing over of ROW, idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion. The Claimant has raised a claim for ₹ 42870 million. The Sponsor has filed the Counter-claims of ₹ 149524.50 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

28. VIL Limited has initiated arbitration proceedings against the Sponsor in relation to the 2 laning with paved shoulders of Sitarganj-Bareilly section of NH-74 from Km 254.820 to Km 329.280 in State of Uttar Pradesh & Uttarakhand under NHDP Phase-IV on EPC Mode. The claims filed by the Claimant were in relation to the delay in handing over of ROW, idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion. The Claimant has raised a claim for ₹ 10058.60 million. The Sponsor has filed the Counter-claims of ₹ 2621 million against the Claimant. The matter is currently pending before the Arbitral Tribunal. The claimant has been awarded an amount ₹ 1170.99 million has been and the sponsor has been awarded an amount of ₹ 10 million in this matter. The matter has been challenged in the High Court.

29. KM Toll Road Private Limited has initiated arbitration proceedings against the Sponsor in relation to the Construction, operation and maintenance of National Highway No. 8A extension including section from km 0.00 to km 71.40 (approximately 71.40 kms) on the Gandhidham (Kandla) - Mundra Port section of National Highway No. 8A Extension in the state of Gujarat by 4 laning and subsequent 6 laning thereof on design, build, finance, operate and transfer ("DBFOT") basis. The claims filed by the Claimant for declaration for valid termination of the Concession Agreement by the Claimant, Termination Payment, refund to the Claimant of sum wrongfully deducted purportedly towards non-compliance of Punch List items, pay towards Change in Law etc. The Claimant has raised a claim for ₹ 18730.00 million. The Sponsor has filed the Counter-claims of ₹ 1572.40 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

30. GMR Hyderabad Vijaywada Expressway Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to 4/6 laning of Hyderabad-Vijaywada Section from Km 40.000 to Km 221.500 of NH-9 (New NH-65) in the State of Andhra Pradesh (BOT). The claims filed by the Claimant were in relation to the extension of the Concession period, damages in lieu of the extension of the Concession period. The Claimant has raised a claim for ₹ 12659.40 million. The Sponsor has filed the Counter-claims of ₹ 5900.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

31. Supreme Panvel Indapur Tollway Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to 4 laning of Panvel-Indapur Section of NH-17 from km 0.00 to km 84.00 under NHDP Phase-III on BOT Basis on design, build, finance, operate and transfer (DBFOT) pattern in the State of Maharashtra. The Claimant has raised a claim for ₹ 16189.70 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.

32. Gorakhpur Infrastructure Co. Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to Design construction Finance Operation and Maintenance of Km 0.000 to Km 32.270 of Gorakhpur Bypass on NH-28 (existing Km 255.700 to Km 279.800) in the State of Uttar Pradesh on BOT (Annuity) basis. The Claimant has raised a claim for ₹ 7101.30 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.

33. M/s Raebareilly Allahabad Highway Private Limited. has initiated arbitration proceedings against the Sponsor in relation to 2 laning with Paved shoulder of Raebareli to Alahabad section of NH-24B from km 82.000 to km 188.600 in the state of Uttar Pradesh through Public Private Partnership on Design, Build, Finance, Operate and Transfer on the Toll Basis under NHDP-IVA. The Claimant has raised a claim for ₹ 6842.40 million. The Sponsor has filed the Counter-claim of ₹ 782.30 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

34. Solapur Tollways Pvt. Ltd. has initiated arbitration proceedings against the 4 laning of Solapur-Mah/Knt border Section of NH-9 from Km 249.000 to Km 348.800 in the State of Maharashtra is being executed on DBFOT basis. The Claimant has raised a claim for ₹ 8265.80 million. The Sponsor has filed the Counter-claim of ₹ 8100.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

35. M/s Solapur Yedeshi Tollwayt Ltd has initiated arbitration proceedings against the 4 laning of Solapur-Yedeshi section of NH-21 from km 0.000 to km 100.000 (Design Length - 98.717 kms) in the state of Maharashtra to be executed for BOT (Toll) on DBFOT pattern under NHDP Phase IV. The Claimant has raised a claim for ₹ 7900.00 million. The Sponsor has filed the Counter-claim of ₹ 1400.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

36. Madhucon Projects Ltd. has initiated arbitration proceedings against the Widening & Strengthening of existing NH from 2-lane to 4-lane from km 255.00 to km 230.500 of Raha to Dharmatul Section of NH-37 in Assam on East-West Corridor under Phase-II programme of NHDP Contract Package EW-II (AS-02). The Claimant has raised a claim for ₹ 6762.60 million. The Sponsor has filed the Counter-claim of ₹ 950.80 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

37. Kishangarh Gulabpura Tollway Ltd. has initiated arbitration proceedings against the 6 laning of Kishangarh to Gulabpura Section of NH 79A and NH 79 in the State of Rajasthan (Length 90.000 Kms) on DBFOT (Toll) IRB-ARBITRATION Ref NO.3. The Claimant has raised a claim for ₹ 8689.60 million. The Sponsor has filed the Counter-claim of ₹ 3560.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

38. Transstroy Dindigul-Theni-Kumli Tollways Pvt. Ltd. has initiated arbitration proceedings against 2 laning with paved shoulder of Dindigul-Theni Section from Km 2.750 to Km 73.400 of NH-45 (Extn.) and Theni-Kumli section of NH-220 from Km 215.500 to Km 273.600 in the State of Tamil Nadu under DBFOT Annuity basis. The Claimant has raised a claim for ₹ 5258.40 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.

39. JR Toll Road Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the Design, Engineering, Construction, Development, Finance, Operation and Maintenance of Jaipur to Reengus Section of NH-11 (Km 246.300 to Km 298.075) in the state of Rajasthan under NHDP Phase-III on Design, Build, Finance, Operate and Transfer (DBFOT) Basis. The claims raised by the Claimant amount to ₹ 8440 million. The Sponsor has also filed counter claim for ₹ 8200 million. The matter is currently pending.

40. M/s Dilip Buildcon Ltd. has initiated arbitration proceedings against the Sponsor in relation to the 6 laning of Gorhar to Khairtunda Section of NH-2 from Km 320.810 to Km 360.300 section on HAM in the State of Jharkhand under NHDP phase-V. The claims raised by the Claimant amount to ₹ 360.31 million. The Sponsor is yet to file the Counter-Claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.

41. M/S VRC-SPIDPL has initiated arbitration proceedings against the Sponsor in relation to the 4-Laning of Rohtak-Jind section from Km 307.000 to Km 347.800 of NH-71 and connecting link from Km. 347.800 of NH-71 to Km 9.400 of NH-71A (Balance work) on EPC mode under Bharatmala (Left out in NHDP) in the State of Haryana. The claims raised by the Claimant amount to ₹ 4600.02 million. The Sponsor is yet to file the Counter-Claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.

42. Sadbhav Engineering Limited initiated arbitration proceedings against the Sponsor in relation to the 4 Laning of Rohtak-Panipat Section of NH-71A from Km 0.00 (Km 63.300) of NH-10 to Km 80.58 (Km 83.500 of NH-1) in the State of Haryana of DBFOT basis under NHDP Phase-III. (BOT) (Ref II). The claims raised by the Claimant amount to ₹ 19370.92 million. The Sponsor has also filed counter claim for ₹ 6220.70 million. The matter is currently pending before the Arbitral Tribunal.

43. M/s TPF Getinsa Eurostudies Limited initiated arbitration proceedings against the Sponsor in relation to the Rehabilitation & upgradation of existing 2-lane to 4-lane standards from Duburi to Chandilkhole section (Km 338.376 - Km 428.074) of NH-200 (new NH-53) in the state of Odisha under NHDP-III on EPC mode (Pkg-III). The claims raised by the Claimant amount to ₹ 100 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

44. M/s PRS Tolls Private Limited initiated arbitration proceedings against the Sponsor in relation to the Tolling, Operation, Maintenance & Transfer of Palanpur- Radhanpur- Samkhiyali section of NH-27 from Km 536.000 to Km 589.600 in the State of Gujarat (TOT Bundle 5 (A-1). The claims raised by the Claimant amount to ₹ 3140 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

45. M/s Simplex Infrastructures Limited initiated arbitration proceedings against the Sponsor in relation to the Rehabilitation and up-gradation to 4-laning of NH-31D from Km 113.200 to Km 154.854 (Pkg-2A) Falakata-Salsalabari Section in the State of West Bengal on EPC Basis. The claims raised by the Claimant amount to ₹ 9000 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

46. M/s Sahakar Global Ltd. initiated arbitration proceedings against the Sponsor in relation to the user fee collection at Palsit Toll Plaza located at Km 585.692 for the section from Km 520.103 to Km 587.853 (Panagarh to Palsit) of NH-2 in the State of West Bengal and Supplementary Agreement dated 3rd June, 2019 (2nd ref.). The claims raised by the Claimant amount to ₹ 360.43 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

47. M/s IL&FS Engineering & Construction Company Ltd. initiated arbitration proceedings against the Sponsor in relation to the Balance work of Patna-Gaya-Dobhi Section of NH-83 from Km 83.000 to Km 127.217 (Pkg-III) on EPC (Item Rate) in the State of Bihar executed under JICA ODA Loan Assistance. The claims raised by the Claimant amount to ₹ 600 million. The Sponsor has also filed counter claim for ₹ 22780 million. The matter is currently pending before the Arbitral Tribunal.

48. M/s Gayatri Projects limited initiated arbitration proceedings against the sponsor in relation to Rehabilitation and up-gradation of Cuttack-Angul section of NH-42 (New NH-55), Package II to 4-lane (Km 60.200 to Km 112.00) on EPC Basis. The claims raised by the claimant 250 million. The sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

49. M/s Mangloor Highways Pvt. Ltd. Initiated the arbitration proceedings against the sponsor in relation to the 4 laning of Sangareddy- Nanded- Akola Section of 161 from Mangloor (Design Km 86.788/ Exsisting Km 91.350) to Telangana/ Maharashtra Border (Design Km 135.751/ Exsisting Km 140.873) (Design Length 48.963 Km) in the State of Telangana under Bharatmala Pariyojna on Hybrid Annuity Mode Package-III. The SOC is yet to be filed. The matter is currently pending before the Arbitral Tribunal. PNC Infratech Ltd. initiated arbitration proceedings against NHAI in relation Rehabilitation and upgradation of Barabanki - Jarwal road junction in the State of Uttar. The S.O.C is yet to be filed by the contractor. NHAI is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal comprising of sole Arbitrator Justice Indira Banerjee (Former Judge, Supreme Court).

50. M/s JSR Constructions Private Limited initiated arbitration proceedings against the Sponsor in relation to the Construction of ROB Butibori and its approaches from km 22.865 to km 24.650 of Nagpur-Hyderabad section of NH-7 (New NH-44), Package NS-29 at Railway Level crossing No. 113. The claims raised by the Claimant amount to ₹ 406.4 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

51. M/s Dilip Buildcon Ltd. - Tuljapur Ausa Highways Ltd. initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Tuljapur-Ausa (including Tirljapur bypass) section of NH361 from Km 0.000 to Km 55.835 (existing chainage: Km 416.000 to Km 470.000) under the NHDP Phase-IV in the state of Mahsrashtra on Hybrid Annuity Mode. The claims raised by the Claimant amount to ₹ 2259.6 million. The Sponsor has also filed counter claim for ₹ 298 million. The matter is currently pending before the Arbitral Tribunal.

52. M/s Dilip Buildcon Ltd. - Wardha Butibori Highways Pvt. Ltd. initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Wardha to Butbori section of NH-361 from Km 465.500 to Km 524.690 (Design length 59.190 km) in the state of Maharashtra under the NHDP Phase-IV on Hvbrid Annuity Mode. The claims raised by the Claimant amount to ₹ 664.3 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

53. M/s Dilip Buildcon Ltd. - Yavatmal Wardha Highways Pvt. Ltd. initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Yavatmal to Wardha (Package-III) section of NH-361 from Km 400.575 to Km 465.500 (Design length 64.925 km) in the state of Maharashtra under the NHDP Phase-IV on Hvbrid Annuity Mode. The claims raised by the Claimant amount to ₹ 779.3 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

54. M/s Dilip Buildcon Ltd. Mahagaon Yavatmal Highways Pvt. Ltd. initiated arbitration proceedings against the Sponsor in relation to the 4 laning of Mahagaon to Yavatmal section of NH-361 from Km 320.580 to Km 400.575 in the state of Maharashtra under the NHDP Phase-IV on Hvbrid Annuity Mode. The claims raised by the Claimant amount to ₹ 1433.8 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

55. M/s Atlanta Infra Assets Ltd. initiated arbitration proceedings against the Sponsor in relation to the Improvement, operation and maintenance including strengthening and widening of existing 2-lane road to 4-lane dual carriageway from Km 9.200 to Km 50.000 of NH-6 (Nagpur-Kandhali section) in the State of Maharashtra on Build, Operate and Transfer (BOT) basis. (Ref-III). The claims raised by the Claimant amount to ₹ 1680 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

56. M/s NSC Projects Pvt. Ltd. initiated arbitration proceedings against the Sponsor in relation to the 2 lanes with/without paved shoulders from Km 0.000 to Km 69.480 (Design) of Sanquelim to Belagavi Section of NH-748 AA in the State of Goa and Karnataka. The Arbitral Tribunal is yet to be constituted.

Material civil matters filed by the Sponsor

57. Essel Walajahpet Poonamalle Toll Road Private Limited has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal). The claims challenged are for compensation for adjusted equity as termination payments, compensation for repayment of the debt borrowed from the lenders/ creditors, compensation for loss of profit payable to EPC contractor, compensation for internal rate of return and mobilisation and de-mobilisation. The amount challenged before the High Court of Delhi is ₹ 6532.90 million. The matter is currently pending.

58. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Oriental Nagpur Betul Highways Limited. The claims challenged are for date of PCOD to be declared as 7th January, 2014, and grant bonus of additional 91 days including 9th installment of annuity payment. The amount challenged before the High Court of Delhi is ₹ 8220.70 million. The matter is currently pending.

59. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against West Haryana Highway Private Limited. The claims challenged are interest due on additional promoter contribution infused in the project, price escalation during the extended period, plant and machinery idling/ rental/rehandling for extended period and interest on plant and machinery idling/rental. The amount challenged before the High Court of Delhi is ₹ 5,478.90 million. The matter is currently pending.

60. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Gwalior Bypass Project Limited. The claims challenged are claim for interest on delayed release of annuity amount along with interest due to delayed payment of regular annuity, claim for interest on debt after COD till 31st December, 2016 and interest incurred on price escalation form PCOD till 31st October, 2016. The amount challenged before the High Court of Delhi is ₹ 5,328.10 million. The matter is currently pending.

61. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Pune Solapur Expressways Pvt. Ltd. The Sponsor has challenged the entire award w.r.t to extension of Concession Period by 928 days vide the petition marked as Diary No. 990741/2022. The amount challenged before the High Court of Delhi is ₹ 224.60 million. The matter is currently pending.

62. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against M/s GMR. The Sponsor has challenged the Final Report released by Sole Arbitrator on 28th February, 2022 which has determined the loss in terms of Article 41 amounting to ₹ 16722.00 million in favour of the Concessionaire. The petition is marked as FAO (OS) 108/2020 109/2020 110/2020. The matter is currently pending.

63. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against the M/s BSCPL Aurang Tollway Ltd. The Sponsor has challenged the entire award of the Arbitral Tribunal. The challenge include the claims with respect to the Right of Way, Payment for idealing of plant and machinery vide petition marked as OMP (Comm) 341/2022. The amount challenged before the High Court of Delhi is ₹ 2819.4 million. The matter is currently pending.

64. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against the M/s L&T Ltd. The sponsor has challenged the entire award awarded by the Arbitral Tribunal vide petition marked as OMP (Comm) 363/2022 before the High Court of Delhi. The amount challenged before the High Court of Delhi is ₹ 294.6 million. The matter is currently pending.

65. The sponsor has filed a petition before the High Court of Delhi challenging the award of the Arbitral Tribunal against TK Toll Pvt. Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered OMP Comm 24/2023 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 5870 million. The matter is currently pending.

66. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the GMR-HVEPL. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as O.M.P. (Comm) 319/2022 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 16720 million. The matter is currently pending.

67. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the Jetpur Somnath Tollways Pvt. Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as OMP (Comm) 5/2022 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 14817 million. The matter is currently pending.

68. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the M/s Surat Hazira NH-6 Tollway Pvt. Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as OMP (Comm) 237/2021 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 32327 million. The matter is currently pending.

Other material litigations

Considering the business and purpose of the Sponsor, it is imperative for the Sponsor to have an effective mechanism for the acquisition of land for building roads. Taking this need of the Sponsor into account, the parliament has enacted the NH Act, a special enactment which overrides the Land Acquisition Act, 1894 in cases where the land is acquired for the purposes of building National Highways. The Parliament has enacted the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, which is applicable to land acquisitions under NH Act with effect from 1st January, 2015 (i.e. one year from the date of commencement of the Act, subject to notification by Central Government). The process of acquiring land is a very cumbersome process and it leads to a large number of disputes. At present there are approximately 72,000 land acquisition cases pending before various Courts/Tribunals/Competent Authorities for adjudication.

VI. Litigations involving the Associates of the Sponsor

Except as disclosed below, as on the date of the Final Placement Memorandum, there are no pending criminal or material litigations or regulatory actions involving the Associates of the Sponsor.

Sr. No	Name of Associate	Number of proceedings outstanding	Amount involved (₹ in million)
1.	Paradip Port Road Company Limited	5	7.74
2.	Tuticorin Port Road Company Limited	3	1.97
3.	Vishakhapatnam Port Road Company Limited	3	1.73
4.	Calcatta Haldia Port Road Company Limited	3	-
5.	Mumbai JNPT Port Road Company Limited	2	-
6.	New Mangalore Port Road Company Limited	2	-
7.	Chennai Ennore Port Road Company Limited	1	-
8.	Ahmedabad Vadodara Expressway Company Limited	7	112.14

VII. Litigations involving the Project Manager

There are no pending criminal, regulatory or other material litigations involving the Project Manager as on the date of the Annual Report.

VIII. Litigations involving the Associates of the Project Manager

Please see the section entitled "- *Litigations involving the Associates of the Sponsor*" above.

IX. Litigations involving the Investment Manager

There are no pending criminal, regulatory or other material litigations involving the Investment Manager as on the date of the Annual Report.

X. Litigations involving the Associates of the Investment Manager

As the President of India is the Promoter of the Investment Manager, persons or entities that may be classified as 'associates' of the Investment Manager in terms of Regulation 2(1)(b)(ii) and Regulation 2(1)(b)(iii) of the InvIT Regulations, have not been identified as 'associates' of the Investment Manager. Consequently, information or disclosures required to be included with respect to such persons or entities pursuant to the InvIT Regulations has not been included in the Annual Report.

XI. Litigations Pending Against Itsl as the Trustee

1.	**SBICAP Trustee & Ors Vs. ITSL & Ors. - O.S.No. 25877/2013, before the City Civil court Bangalore case was transferred on 31st May, 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 Status - ***a) The matter has been stayed by the order of the Hon'ble High Court of Karnataka and the stay is extended.*** ***b) On 15th February, 2024, the case was called out in open Court. Advocate for defendant no.1 present and filed memo stating that, 6 months has expired from the date of interim order on 14th February, 2024. Advocate for plaintiff present and filed memo along with case status of W.P.no.17774/2023. Await orders. The matter has now been fixed on 21.08.2024.***
	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 ₹ 1550.3 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 30th September, 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 27th October, 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 16th November, 2021 for framing of Issues, 23rd November, 2021 for filing of list of witnesses ICGC, SREI & ITSL, for filing of affidavit of evidence by SBI, 7th December, 2021 for cross examination of witnesses of SBI, 14th December, 2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ ITSL and 21st December, 2021 for cross examination of witnesses of Trinity and ITSL and 7th January, 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 30th June, 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 its 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.

2.	**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 Status - ***i) CCI vide its Order dated the 14th March, 2024 rejected the application dated 21st March, 2023 and held that DG may continue its investigation.*** ***ii) Additional Director General, CCI vide his letter dated the 15th March, 2024 addressed to ITSL, directed to provide the requisite information/documents as sought by CCI vide notice dated 18th February, 2022 latest by 26th March, 2024.*** ***iii) We have submitted the required information on 11th April, 2024 and 15th April, 2024.*** ***iv) DG, CCI had summoned one of our Officer on 11th June, 2024 for taking statement in the matter.***
	Brief Background - On 10th September, 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 23rd December, 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. The matter was listed before the Competition Commission of India (CCI) on 13th December, 2023 for hearing. After hearing both the parties, the CCI concluded that the parties are at liberty to file additional submissions (if any) on any additional points within one week. Additional written submissions have been filed on 21st December, 2023. CCI Order is awaited.
3.	**R.K. Mohata Family Trust Vs. ITSL & Ors.**
	Current Status - **Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd.(AIIL) Vs. R.K.Mohata Family Trust & Ors, Supreme Court vide their Order dated the 3rd March, 2023 allowed the Resolution Plan filed by AIIL and directed AIIL to make the payments prior to 31st March, 2023. AIIL 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 ₹ 1,05,50,902 against ITSL towards his investment. Hon'ble Bombay High Court vide their orders dated the 31st March, 2022 read with the Order dated the 6th April, 2022 and the order dated the 10th May, 2022 directed ITSL to hold the meeting of debenture holders. ITSL convened a meeting of the debenture holders on 13th May, 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 (AIIL) 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.

4.	**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 Status -
	Hearing for the appeal filed by the Plaintiffs, against the order dated 3rd June, 2022 was scheduled on 18th May, 2023. The matter has now been fixed for Merits on 13th May, 2024 before the Supreme Court. 13th May, 2024 hearing has been postponed to June 27, 2024
	Brief Background -
	Suit is filed by investors seeking compensation and damages of ₹ 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 28th January, 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 9th June, 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 1st July, 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.

5.	**Pawan Kapoor & Anr. Vs. SEBI & Ors. (Karvy Data Management Services Ltd)**
	Current Status - ***The matter was listed on 5th February, 2024 for early hearing. The Petitioner had filed an application being CM. Appl. 62768/2023 for early hearing which was listed for hearing on 5th December, 2023 before HMJ Subramonium Prasad, as Item No. 48 (Supplementary List), in Court No. 7, Delhi High Court. The Hon'ble Court after hearing the parties was not of the opinion to entertain the application filed by the applicant/ petitioner, since, no case of urgent hearing was made out. Accordingly, the said application for early hearing was dismissed and the court directed the matter to be listed on the date already fixed i.e. 5th February, 2024.*** ***Pursuant to the order dated 19th December, 2023 passed by Delhi High Court, MCA has launched inspection of ITSL vide letter dated the 19th December, 2023. We have provided the data to Regional Director (RD) , MCA, Western Region, Mumbai on 1st January, 2024. RD had called us for personal hearing on 4th January, 2024. RD has issued a letter dated 8th January, 2024 calling information. We vide our letter dated the 24th January, 2024 provided all documents together with supporting documents duly signed by Director of ITSL to Regional Director, MCA, Western Zone.*** ***The matter before Delhi High Court is now fixed on 2nd August, 2024.***
	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 19th December, 2022. The Hon'ble Delhi High Court has directed Ministry of Corporate affairs to investigate in the complaint and provide report.
6.	**Mr. Kamlakar Babu Alias Baburao Patil & Others and ITSL & Others**
	Current Status - ***Now, the Issuer Company has mortgaged different property and disputed property has been released. The matter has now been listed on 20th June, 2024 for further proceedings.***
	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 28th July, 2023. The suit is basically for declaration of deed of mortgage dated 15th June, 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.
7.	**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.**
	Current Status - ***The matter has been listed for hearing on 20th August, 2024*** ***The matter was listed on 9th October, 2023 before the bench comprising of Hon'ble Mr. Justice B.R. Gavai, Hon'ble Mr. Justice P S Narasimha and Hon'ble Mr. Justice Prashant Kumar Mishra before the Hon'ble Supreme Court of India.*** ***Senior Counsel Mr. Gopal Sankaranarayanan along with the SAM team appeared for Respondent No.20 i.e. IDBI Trusteeship Service Limited, Senior Counsel Mr. Nikhil Nayyar appeared for Respondent No. 1-9 i.e. Authum Investment and Infrastructure Limited and its directors and Senior Counsel Mr. Dhruv Mehta appeared for Respondent No. 10-19 i.e. Reliance Home Finance Limited and its directors.*** ***When the matter was called, the counsel for the Petitioners submitted that counter-affidavits have been filed in the matter and they seek time to file rejoinders to the same. Pursuant to the same, the counsel for the Petitioners prayed that the matter be next listed on a non-miscellaneous day for hearing. Mr. Sankaranarayanan thereafter apprised the Hon'ble Court that there are three similar contempt petitions that have been filed before the Hon'ble Court, however Respondent No. 20 is only a party to the captioned contempt petition. He further contented that no case has been made out against Respondent No. 20 and therefore they should be deleted from the array of parties in the captioned matter. Such request was however objected to by the Appellant. In reference to the same, the Hon'ble Court passed an oral remark that Respondent No.20 should file an application for deletion from the array of parties, if they wish to be deleted.***

	Brief Facts - 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 was listed on 22nd September, 2023. Senior Counsel suggested to file an application for deletion of ITSL's name from array of the parties. The application is being prepared and filed. The fresh date in the matter is yet to be notified. We have engaged Shardul Amarchand Mangaldas & Co Advocates & Solicitors to represent ITSL before the Supreme Court.
8.	**CBM Constructions LLP Vs. IDBI Trusteeship Services Ltd. & Ors.- Suit No. CS SCJ/987/2023 before Senior Civil Judge cum RC, South-East, Saket, New Delhi.**
	Current Update - ***The Matter was listed for hearing on 16th January, 2024. The matter has now listed on 13th August, 2024.*** ***We have filed our WS and Application for deletion of our name from array of the parties on 11th January, 2024.***
	Brief Background - CBM Constructions LLP, one of the Debenture Holder in the case of Three C Green Developers Pvt. Ltd. has filed suit bearing No. CS SCJ/987/2023 before Senior Civil Judge cum RC, South-East, Saket, New Delhi, praying for: - i) directions to ITSL for transfer of pledged shares of defendant no. 2 and 5 and place the directors in the said companies ii) permanent and prohibitory injunction restraining defendant nos. 3, 4, 6, 7, 8 & 9 in any manner corresponding with any third agencies on behalf of defendant no. 2 and 5 iii) directing defendant no. 1 to immediately execute the share transfer in its favour and place the directors in defendant no. 2 and 5 as called upon by communication dated 5th August, 2023 iv) Declare that defendant no. 3 to 10 have no right and interest in defendant no. 2 and 5. v) Prayer against ITSL for transfer of Pledged shares has already been complied by ITSL and suit against ITSL do not survive.
9.	**DSP Asset Managers Pvt. Ltd. Vs. Grant Thornton (Bharat) LLP & Ors.- Company Application No. 19 of 2024 before NCLT, Mumbai.**
	Current Status - **We have filed our Written Statement in the said Application. The matter was finally heard on 29th April, 2024 and now reserved for orders.** **NCLT vide Order dated 13th May, 2024 dismissed and disposed of the application.**
	Brief Background - DSP Asset Managers Ltd. has filed the Company Application No. 19 of 2024 before NCLT, Mumbai praying for:- i) Condonation of delay in filing claim before Parent Company IL & FS. ii) The Allegation against ITSL is that the ITSL has delayed in filing their claim with GT for admission.
10.	**Spenta Suncity Private Ltd. – Moniveda Consultants LLP & Anr. Vs. ITSL & Pradeep Kumar Malhotra - Contempt petition 616 of 2023 And Civil Appeal 9052-9053 of 2022 Before Hon'ble Supreme Court of India- Pradeep Kumar Malhotra and ITSL.**
	Current Status - **At the hearing held on 11th March, 2024, we have filed Counter Replies in both Civil Appeal and Contempt Petition before Supreme Court of India. The Appellants have been directed to file their rejoinder within three weeks. The Matter now is listed on 13th May, 2024 for hearing. At the hearing held on 13th May, 2024, ITSL the Respondent 10 has been directed to file Affidavit/Undertaking confirming that it is not carrying out any constructions nor it has authorised anyone to carry out any transaction. The matter has been adjourned to 15th July, 2024.**
	Brief Background - In the case of Spenta Suncity Private Ltd., one Monivedda Consultant LLP, one of the stakeholder has filed Civil Appeal and Contempt Petition against ITSL & MD P.K. Malhotra for violations of order dated 16th December, 2022 passed by the Supreme Court of India. The matter was driven by IIFL the Debenture Holder. The order was not to make further allotment of debentures and create further liabilities on the assets. We have engaged our own advocate and filed suitable replies. The matter is now listed on 22nd April, 2023.

11.	**Interim Application No. 556 of 224 before, NCLT Kolkata - Ashiana Landcraft Realty Private Ltd. Vs. ITSL & Anr.**
	Current Status - **The matter was heard and disposed of vide Order dated 23rd April, 2024 with a direction to ITSL to issue the NOC for satisfaction of charge. ITSL has issued NOC on 25th April, 2024 and also signed the Form no. CHG 4 for satisfaction of charge with ROC.**
	Brief Background - Interim Application under Section 60(5) of IBC r/w Rule 11 of NCLT Rules, 2016 has been filed by the Company praying for: - 1. Directions to ITSL to immediately issue a "NDC" to the Applicant in relation to PMS Fund Managed by Piramal Fund Management Private Ltd. 2. Direct ITSL to extend all cooperation to the applicant including signing and filing the Form CHG-4 for satisfaction of charge 3. Impose exemplary costs on the erring respondents 4. Initiate appropriate action for contempt of the court.
12.	**ARBITRATION NO. 186 OF 2024 (ARB186/24/BRP) IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (6TH EDITION, 1ST AUGUST 2016) BETWEEN:-** **CREDIT OPPORTUNITIES III PTE. LIMITED ("CLAIMANT")** **AND** **(1) IIFL MANAGEMENT SERVICES LIMITED;** **(2) IIFL FINANCE LIMITED;** **(3) IDBI TRUSTEESHIP SERVICES LIMITED;** **(4) 360 ONE INVESTMENT ADVISORS AND TRUSTEE SERVICES LIMITED ("RESPONDENTS").** **Notice of Arbitration dated 21st May, 2024 from Khatan & Co. received by us on 22nd May, 2024.** **ITSL became the Trustee only on 7th November, 2023. The following are the allegations levelled against the Respondents:-** **1. Failure to provide timely information & updates** **2. Attempts to blatantly and unilaterally disregard the contractually agreed Distribution Waterfall** **3. Unauthorized Return of Capital Contribution to Second Respondent** **4. Disbursement of additional funds to certain Portfolio Companies** **5. Unauthorised Change of Trustee w.e.f. 7th November, 2023** **6. Transfer of Class B units held by Second Respondent** **7. Purported In-specie Distribution** **SAM, Law Firm is representing ITSL before the Arbitrator.** Claimant's Emergency application for interim relief has been rejected vide order dated 5th June, 2024 and the claimant has been directed to bear the cost of R3 and R4 subject to the final apportionment of liability and quantification by the arbitral tribunal. The matter has now been listed on 20/06/2024 for filing reply to main Arbitration.
13.	**Summary Suit No.806 of 2024 before City Civil Court at Dindoshi (Borivali Division), Goregaon, Mumbai.** **Francis Cassian Mendis Vs. Heida Aloysious Gomes & 9 others including ITSL as Defendant No.6.** **Challenging the Conveyance Deed dated 18th May, 1981 including all other Conveyances executed thereafter and Mortgage dated 9th September, 2021 created in favour of ITSL by Spenta Suncity Private Ltd. and permanent order and injunction restraining the defendants from carrying out any constructions/development activity on the Suit property i.e. Land bearing CTS No.336, Survey No.23, Hissa No.13/7 admeasuring 1622.8 sq. mtrs., village Mogra, Taluka Andheri, Mumbai.** **The matter has now been listed on 25th July, 2024 for filing Reply to Notice of Motion and WS.**



RISK FACTORS

Risks Related to the Structure of the Trust

1. **We have limited operating history or financial information for the Round 3 Toll Roads acquired recently.**
2. **Project SPVs may not be able to claim depreciation in relation to toll collection rights acquired from the Sponsor.**

   Under TOT projects, we believe that upfront concessional payment made by Project SPVs for acquisition of toll rights may be considered akin to acquisition of business or commercial rights and Project SPVs shall be eligible to claim depreciation under section 32 of the IT Act under the head of 'intangible assets'. However, tax authorities may disallow the tax treatment adopted by Project SPVs of charging depreciation in relation to the project assets, which may adversely affect our business and profitability.
3. **We must maintain certain investment ratios pursuant to SEBI InvIT Regulations.**

   Failure to comply with these conditions may present additional risks to us, including divestment of certain assets, d-listing and other penalties, which could have a material, adverse effect on our business, financial condition and results of operations.
4. **We may not be able to make distributions to Unitholders or the level of distributions may fall as the Trust's distributions will be based on the cash flows generated from the operations to be undertaken by the underlying Project SPV held by the Trust and not on whether the Trust makes an accounting profit or loss.**

   The Trust will substantially rely on the receipt of interest, dividends, and principal repayments (net of applicable taxes and expenses) from the Project SPV in order to make distributions to Unitholders.
5. **The regulatory framework governing infrastructure investment trusts in India is evolving and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to Unitholders.**

Risks Relating to Our Business and the Concession Agreements

6. **Any payment by the Project SPV, including in the event of the termination of the Concession Agreements, is subject to a mandatory escrow arrangement that restricts its flexibility to utilize the available funds.**

   The consent of NHAI, in its capacity as the concessioning authority (the **"Authority"**), and lenders, is required to amend the order of outflow of payments from such escrow account.
7. **The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust, and under the InvIT Regulations, it has the ability to divest its holdings in the Units three years following the Offer.**

   Given the influence that the Sponsor exerts on the Investment Manager, and consequently the operations and credibility of the Trust, any material divestiture by the Sponsor in the Units, or any conflict of interest that it has compared to that of other Unitholders, could have a material adverse impact on our business, financial condition and results of operations.
8. **The cost of implementing new technologies for collection of tolls and monitoring our projects in a cost-effective and timely manner could materially and adversely affect our business, financial condition and results of operations.**

9. **We may face limitations and risks associated with debt financing and refinancing as we are subject to regulatory restrictions in relation to our debt financing and refinancing.**
10. **Certain actions of the Project SPV require the prior approval of NHAI, and no assurance can be given that NHAI will approve such actions in a timely manner or at all.**
11. **The Project SPV's toll-road concessions may be terminated prematurely under certain circumstances.**

    The Toll Roads concessions of the Project SPV are our principal assets. We will be unable to continue the operation of a particular road concession without a continuing concession right from the Sponsor, in its capacity as Authority. A concession may be terminated by the Sponsor for certain reasons set forth in the Concession Agreements.
12. **Toll collections and Toll Road traffic volumes may be affected by existing or new competing roads and bridges and other modes of transportation, and any improvements to, or construction of, such roads, bridges and other modes of transportation.**
13. **Our business will be subject to seasonal fluctuations that may affect our cash flows.**
14. **Toll rates and collections and Toll Road traffic volumes are dependent on factors beyond our control and are subject to significant fluctuations being traffic volume and toll rates.**
15. **We are subject to risks associated with outbreaks of diseases or similar pandemics or public health threats, such as the novel coronavirus ("COVID-19"), which could have a material adverse impact on our business and our results of operations and financial condition.**
16. **Leakage of the tolls through toll evasion, fraudulent acts on the part of road users or our toll collection operators, theft, technical faults in our toll collection systems, or unlawful roadway entries or exits by road users to avoid paying the required toll collected on the Toll Roads may adversely affect toll collections.**
17. **The termination payment due to us upon termination of the Concession Agreements may not adequately compensate us for the actual costs and investments associated with the Toll Roads in a timely manner or at all and thus may not provide us with sufficient funds to repay the Units.**
18. **Toll collections are affected by applicable toll rates and revisions to such rates and the number of road users subject to such rates.**
19. **Our revenues under the Transitional Support Agreement are dependent on successful continuation of underlying tolling contracts.**
20. **The operation of the Toll Roads and the revenues generated from them may be impacted as a result of any capacity augmentation or other works required to be carried out in accordance with the terms of the Concession Agreements or any RFPs floated by the Sponsor.**
21. **Changes in the policies adopted by governmental entities or in the relationships of any member of the Trust with the Government or State Governments could materially and adversely affect our business, financial performance and results of operations.**
22. **The Valuation Report, and any underlying reports, are not opinions on the commercial merits of the Trust or the Project SPV(s), nor are they opinions, expressed or implied, as to the future trading price of the Units or the financial condition of the Trust upon listing, and the valuation contained therein may not be indicative of the true value of the Project SPV's assets.**
23. **We have referred to the data derived from (i) Technical Consultant Report commissioned from the Technical Consultant, (ii) Traffic Reports commissioned from the Traffic Consultants and (ii) CARE Report which are based on certain bases, estimates and assumptions that are subjective in nature and may not be accurate.**
24. **Certain provisions of the standard form of Concession Agreements may be untested, and the Concession Agreements may contain certain restrictive terms and conditions which may be subject to varying interpretations.**
25. **We may be subject to increases in costs, including operation and maintenance costs, which we cannot recover by increasing toll fees under the Concession Agreements.**
26. **Leakage of the toll fees on the Project SPV's roads may materially and adversely affect our revenues and financial condition.**
27. **We will depend on certain directors, executive officers and key employees of the Investment Manager, the Project Manager and the Project SPV(s), and such entities may be unable to appoint, retain such personnel or to replace them with similarly qualified personnel, which could have a material, adverse effect on the business, financial condition, results of operations and prospects of the Trust.**
28. **There can be no assurance that we will be able to successfully undertake future acquisitions of road assets or efficiently manage the infrastructure road assets we have acquired or may acquire in the future.**
29. **The Project SPV(s), may not be able to comply with its maintenance obligations under the Concession Agreements, which may result in the termination of the Concession Agreements, the suspension of the Project SPV's rights to collect tolls or the requirement that the Project SPV pay compensation or damages to the Sponsor.**
30. **The insurance policies for the InvIT Assets are not currently in place for any protection against various risks associated with our Operations and any future insurance coverage obtained may be inadequate.**
31. **The Sponsor and the Trustee are involved in certain legal and other proceedings, which may not be decided in their favour.**
32. **We do not own the "NHAI" trademark and logo. Our license to use the "NHAI" trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired.**
33. **We will depend on NHAI and various third parties to undertake certain activities in relation to the operation and maintenance of the InvIT Assets. Any delay, default or unsatisfactory performance by these third parties could materially and adversely affect our ability to effectively operate or maintain the InvIT Assets.**
34. **The Project SPV(s) may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.**
35. **Significant differences exist between Indian GAAS used to prepare the Sponsor's Audited Financial Information and other accounting principles, such as Ind-As and IFRS, with which investors may be more familiar.**
36. **We are subject to environmental, social and safety risks associated with the operation of the Toll Roads which could adversely affect our business, cashflows and our results of operations.**
37. **The completion certificate and provisional completion certificate in respect of one of the R1 Toll Roads are not traceable and accordingly, alternate documents have been relied upon in relation to certain disclosures made in this Preliminary Placement Document.**
38. **The Trust and the Project SPV(s) are subject to government regulation and if there is a failure to obtain, maintain or renew statutory and regulatory licenses, permits, and approvals required to operate the business, results of operations and cash flows may be adversely affected.**

Risks Related to the Trust's Relationships with the Sponsor and the Investment Manager

39. The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.
40. The Investment Manager may not be able to implement its investment or corporate strategies and the fees payable to the Project Manager are dependent on various factors.
41. While the Sponsor had communicated its intention of transferring around 1,500 km of roads, the Trust may be unable to bid effectively for them.
42. Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.
43. The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements.
44. Our Investment Manager is wholly-owned and controlled by the GoI, which makes us susceptible to changes to its policies.
45. The InvIT Regulations allow for sponsors of listed InvITs to be declassified from the status of sponsors subject to certain conditions. There can be no assurance that our Sponsor will not exercise its ability to be declassified as the Sponsor of the Trust.
46. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Investment Manager and the Trust.

Risks related to India

47. Changing laws, rules and regulations and legal uncertainties may materially and adversely affect our business, financial condition and results of operations.
48. Significant increases in the price or shortages in the supply of crude oil and products derived therefrom, including petrol and diesel fuel, could materially and adversely affect the volume of traffic at the projects operated by the Project SPV and the Indian economy in general, including the infrastructure sector.
49. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could materially and adversely affect our business.
50. Any downgrading of India's debt rating by rating agencies could have a negative impact on our business.
51. We are subject to risks associated with outbreaks of diseases or similar pandemics or public health threats, such as the novel coronavirus ("COVID-19"), which could have a material adverse impact on our business and our results of operations and financial condition.

Risks Related to Ownership of the Units

52. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
53. The reporting requirements and other obligations of infrastructure investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to Unitholders may be more limited than those made to or available to the shareholders of a company that has listed its equity shares upon a recognized stock exchange in India.
54. Unitholders may not be able to enforce a judgment of a foreign court against the Trust or the Investment Manager.
55. Any additional debt financing or issuance of additional Units may have a material, adverse effect on the Trust's distributions, and your ability to participate in future rights offerings may be limited.

    The Investment Manager may require additional debt financing or the issuance of additional Units in order to support the operating business or to make acquisitions and investments. If obtained, any such additional debt financing may decrease distributable income, and any issuance of additional Units may dilute existing Unitholders' entitlement to distributions.

    We are not required to offer pre-emptive rights to existing Unitholders when issuing new Units. Compliance with securities laws or other regulatory provisions in some jurisdictions may prevent certain investors from participating in any future rights issuances and thereby result in dilution of their existing holdings in Units.
56. The Trust may be unable to dispose of its non-performing assets in a timely manner.
57. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies will affect the foreign currency equivalent of the value of the Units and any distributions.
58. Unitholders are unable to require the redemption of their Units.
59. The Units have never been publicly traded and the listing of the Units on the Stock Exchanges may not result in an active or liquid market for the Units.
60. Any future issuance of Units by us or sales of Units by the Sponsor or any of other significant Unitholders may materially and adversely affect the trading price of the Units.
61. Our rights and the rights of the Unitholders to recover claims against the Investment Manager or the Trustee are limited.
62. Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.
63. The price of the Units may fluctuate with the market conditions and other factors.
64. There is no assurance that Units of NHIT will remain listed on the Stock Exchanges. There is a risk pertaining to low or no trading of Units on stock exchanges which directly affects any investor's ability to either sell their units entirely, or sell/exit in a timely manner.
65. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the NHIT's Units.

Risks Related to Tax

66. Unitholders should consider the impact of U.S. Foreign Account Tax Compliance Act withholding.
67. The Trust may be classified as a passive foreign investment company for U.S. federal income tax purposes, which could subject U.S. holders of Units to significant adverse tax consequences.
68. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations.
69. Changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect our business, prospects and results of operations.
70. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavourable implication for us.
71. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units.

72. **The Finance Act 2023, provides for tax on the unitholders for such portion of distribution received by them that is not covered under section 10(23FC) or 10(23FCA) of the IT Act and that which is not chargeable to tax under section 115UA(2) of the IT Act. Any distribution not covered under the aforementioned clauses will be taxed in the hands of the unitholders as 'income' under section 56(2)(xii) of the IT Act, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and not covered under sections 10(23FC), 10(23FCA) or 115UA(2) shall be reduced from the cost of units. There can be no assurance that there will be no adverse impact on the tax incidence to the unitholders pursuant to the Finance Act 2023.**

73. **The income of the Trust in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.**

    The SPV has issued corporate guarantees to the lenders of National Highways Infra Trust for the amount borrowed by NHIT. The amount borrowed has been on lent to NWPPL for payment of concession fees to NHAI and initial improvement works incurred by NWPPL. Since the said transaction is between related parties, the same qualifies as "Supply" leviable to GST even though without consideration. Prior to 26th October, 2023 valuation of supply for such corporate guarantee was required to be computed on open market basis. Post 26th October, 2023, there has been change in the GST legislation wherein value of such corporate guarantees has been deemed to be to one percent of the guarantees offered or actual consideration whichever is higher. For the Corporate Guarantee issued before 26th October, 2023, Company got the market valuation done wherein the market value for the corporate Guarantee provided has been arrived by the valuer as Nil. However, GST department may litigate with company to pay GST on this transaction, irrespective of the open market value derived to be Nil by the valuer. Having said so, the levy of GST on corporate guarantee is being challenged by assessee's in various High Courts.



STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Unit Holders of National Highways Infra Trust

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **National Highways Infra Trust ("the InvIT" or "the Trust")**, which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Unitholder's Equity and the Statement of Cash Flows for the year then ended, the Statement of Net Assets at fair value as at 31st March 2024, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ("NDCFs") for the year then ended and notes to the standalone financial statements including a summary of material accounting policy and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations, of the state of affairs of the Trust as at 31st March 2024, its profit including other comprehensive income, its cash flows, its statement of changes in Unitholder's equity for the year ended 31st March 2024, its net assets at fair value as at 31st March 2024, its total returns at fair value and the net distributable cash flows of the Trust for the year ended 31st March 2024.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the SEBI InvIT Regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31st March 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Assessment of Impairment of Investment made in and Loans given to the subsidiary company, National Highways Infra Projects Private Limited ("NHIPPL")

Key Audit Matter	Auditor's Response
As at 31st March, 2024, the carrying amount of Equity Investment by the Trust in NHIPPL amounted to ₹ 139,553.52 Lakhs. Further, the Trust has granted loan to NHIPPL till date amounting to ₹ 90,95,06.66 Lakhs. In accordance with its accounting policy and requirements under Ind AS, the management has performed an impairment assessment by comparing the carrying value of these investments made/ loans given to NHIPPL to their recoverable amount. For impairment testing, value in use has been determined by forecasting and discounting future cash flows of subsidiary company. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections for revenues and discounting rates. The recoverable amount is the higher of (a) fair value less cost to sell (b) value in use. The determination of the recoverable amount from subsidiary company involves management estimates and judgment which may affect the outcome. So, there is an inherent risk in the valuation of investment/ recoverability of loans, due to the use of estimates and judgements mentioned above. Accordingly, the assessment of impairment of investment/loans in subsidiary company has been determined as a key audit matter. Refer Note 2.1 (m) for the accounting policy on Impairment of Investments & Note 31 relating to Disclosure pursuant to Ind AS 36 "Impairment of Assets" in Standalone Financials as at 31st March, 2024. Also Refer Note 2.1 (m) for the Accounting policy on Financial asset relating to Expected Credit Loss on Financial Assets for impairment of loan receivables in the Standalone Financials as at 31st March, 2024.	Our Audit Procedures included the following: - • Assessed the appropriateness of the future cash flows estimated including value in use determined. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; • Assessed the assumptions around the key drivers of the revenue projections, future cash flow, discount rates / weighted average cost of capital that were used by the management. • As regards loan granted to NHIPPL, we have obtained and considered Management evaluations of recoverability of loans granted to NHIPPL. • Tested the arithmetical accuracy of Impairment Sheet. • Obtained Management Representation in this respect.

2. Computation and disclosures as prescribed in the SEBI InvIT regulations relating to Statement of Net Assets at Fair Value and Total Returns at Fair Value

Key Audit Matter	Auditor's Response
As per SEBI InvIT regulations, the Trust is required to disclose statement of net assets at fair value and statement of total returns at fair value. The fair value is determined by forecasting and discounting future cash flows from the operations of the investee entities which involves management estimates and judgement. These estimates and judgements include discounting rates, Tax rates and inflation rates which are considered for computing the fair value. There is an inherent risk in the computation of fair value due to the use of estimates and judgements mentioned above. Therefore, computation and disclosures of statement of net assets at fair value and statement of total returns at fair value is considered as a Key Audit Matter. Refer Note-2.1(m) Significant Accounting Assumptions – Fair Valuation and Disclosures and Statement of net assets at fair value and Statement of total returns at fair value in the standalone financial statements.	Our Audit Procedures included the following:- • Obtained the understanding of the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. • Assessed the Valuation Report issued by the Independent Valuer engaged by the management. Also assessed the appropriateness of the Trust's valuation methodology applied in determining the fair values. • Obtained Management Representation in this respect. • Tested the arithmetical accuracy of computation in the statement of net assets and total returns at fair value. • Ensured that disclosures is in compliance with SEBI InvIT regulations relating to the statement of net assets at fair value and the statement of total returns at fair value.

3. Related Party Transactions and Disclosures

Key Audit Matter	Auditor's Response
The Trust has undertaken transactions with its related parties in the normal course of business. These include making loans to Project SPV, earning interest on such loans, fees for services provided by related parties to Trust etc. as disclosed in Note 34 of the Standalone Financial Statements. Considering the importance of accuracy and completeness of related party transactions and its disclosures in the aforesaid standalone financial statements, we have considered this as a key audit matter.	Our Audit Procedures included the following:- • Obtained the understanding of policies, processes and procedures in respect of identifying related parties, necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with InVIT regulations. • Tested the related party transactions with the underlying contracts and other supporting documents for appropriate authorization and approval for such transactions. • Reviewed the minutes of governing body of Trust in connection with transactions to assess authorization by the Board and whether the transactions are in the ordinary course of business at arm's length and in accordance with the SEBI InvIT regulations. • Obtained Management Representation in this respect. • Ensured that the disclosures made in accordance with the requirements of Ind AS and SEBI InvIT regulations.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board of Directors of Investment Manager is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Investment Manager's Report including annexures to Investment Manager's Report and other information as required to be given by SEBI InvIT Regulations, but does not include the standalone financial statements and our report thereon.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF INVESTMENT MANAGER FOR THE STANDALONE FINANCIAL STATEMENTS

The Board of Directors of Investment Manager is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at 31st March 2024, financial performance including other comprehensive income, cash flows and the movement of the Unitholder's equity for the year ended 31st March 2024, the net assets at fair value as at 31st March 2024, the total returns at fair value and the net distributable cash flows of the Trust for the year ended 31st March 2024, in accordance with the requirements of the SEBI InvIT Regulations, Indian Accounting Standards as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the SEBI InvIT Regulations for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Investment Manager.
- Conclude on the appropriateness of the Board of Directors of Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31st March, 2024 and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit and as required by SEBI InvIT Regulations, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Cash Flows, Statement of Changes in Unitholder's Equity, the Statement of Net Assets at fair value, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows dealt with by this Report are in agreement with the books of account of the Trust;

c) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with SEBI InvIT regulations.

d) There were no amounts which were required to be transferred to the Investor Protection and Education Fund by the Fund.

For A. R. & Co.
Chartered Accountants
FRN. 002744C

CA Mohd Azam Ansari
Partner
Membership No: 0511623
UDIN: 24511623BKCSS14693

Place: New Delhi
Date: 27th May 2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
1) Non-Current Assets			
(a) Financial Assets			
(i) Investment	3	380,163.52	139,553.52
(ii) Loans	4	2,240,043.05	890,606.66
(iii) Other Financial Assets	5	10,174.48	9,670.84
(b) Other Non-Current Assets	6	95.43	-
TOTAL NON-CURRENT ASSETS		**2,630,476.48**	**1,039,831.02**
2) Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	7	30,718.41	14,080.38
(ii) Other Financial Assets	8	87,534.15	46,692.16
(b) Current Tax Assets (Net)	9	7.04	-
(c) Other Current Assets	10	693.14	1,119.47
TOTAL CURRENT ASSETS		**118,952.74**	**61,892.01**
TOTAL ASSETS		**2,749,429.22**	**1,101,723.03**
EQUITY AND LIABILITIES			
EQUITY			
1) Unit Capital	11	1,467,093.46	741,604.32
2) Initial Settlement Amount		0.10	0.10
3) Other Equity	12	102,760.63	60,432.64
TOTAL EQUITY		**1,569,854.19**	**802,037.06**
LIABILITIES			
1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	1,163,394.94	292,158.33
TOTAL NON-CURRENT LIABILITIES		**1,163,394.94**	**292,158.33**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
2) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	14	10,054.00	2,000.00
(ii) Trade Payables	15		
(a) Total Outstanding, dues of micro and small enterprises		36.17	3.88
(b) Total outstanding, dues of creditors other than micro and small enterprises		733.58	342.69
(iii) Other Financial Liabilities	16	5,162.05	5,129.59
(b) Current Tax Liabilities (Net)	17	-	8.98
(c) Other Current Liabilities	18	194.29	42.50
TOTAL CURRENT LIABILITIES		**16,180.09**	**7,527.64**
TOTAL EQUITY AND LIABILITIES		**2,749,429.22**	**1,101,723.03**

Material Accounting Policies 1-2
The accompanying notes form an integral part of these financial statements 3-47
This is the Balance Sheet referred to in our report of even date.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME AND GAINS			
Interest income on loan given to subsidiaries	19	123,103.51	94,698.30
Interest Income on fixed deposits	20	786.74	352.28
Profit on sale of investments	21	840.99	422.20
Other income	22	4.21	316.59
Total Income		**124,735.45**	**95,789.37**
EXPENSES			
Investment Manager Fees		1,800.00	1,263.70
Trustee Fees		9.60	9.60
Valuation expenses		11.07	4.00
Annual listing fees		53.80	20.00
Rating fees		7.73	0.20
Audit Fees			
- Statutory audit fees	23	5.75	2.90
- Other audit services (including certification)	23	1.72	0.88
Custodian Fees		3.15	0.84
Finance Cost	24	25,139.68	16,590.17
Other Expenses	25	188.64	190.16
Total Expenses		**27,221.14**	**18,082.45**
Profit before Tax		**97,514.31**	**77,706.92**
Tax Expenses	26		
Current Tax		697.56	473.89
Current tax - earlier years		(2.52)	0.01
Deferred Tax expense/(credit)		-	(3.16)
Total Tax		**695.04**	**470.74**
Profit after Tax		**96,819.27**	**77,236.17**

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
		-	-
Total Comprehensive Income for the year		**96,819.27**	**77,236.17**
Earnings per Unit			
Basic	27	12.85	11.76
Diluted	27	12.85	11.76

Material Accounting Policies 1-2
The accompanying notes form an integral part of these financial statements 3-47
This is the Balance Sheet referred to in our report of even date.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flows from operating activities**		
	Net Profit/(Loss) Before Tax	97,514.31	77,706.92
	Adjustments:		
	Finance Cost (net)	25,015.90	16,590.17
	Interest Income on Bank FDR	(786.74)	(352.28)
	Interest Income on Long Term Loan given to SPVs'	(123,103.51)	(94,698.30)
	Profit on redemption of Mutual Funds	(840.99)	(422.20)
	Operating cash flows before Working Capital Changes	**(2,201.03)**	**(1,175.71)**
	Movements in Working Capital		
	Decrease/ (Increase) in Other Non Current Financial Assets	(0.90)	(15.42)
	Decrease/ (Increase) in Other Current Financial Assets	(292.14)	(290.62)
	Decrease/(Increase) in Other Current/ Non-Current Assets	579.16	(834.96)
	Increase/ (Decrease) in Trade & Other Payables	(312.33)	393.13
	Increase/ (Decrease) in Other Financial Liabilities	-	(0.00)
	Increase/ (Decrease) in Other Current Liabilities	151.79	(57.30)
	Increase/ (Decrease) in Current Tax Liabilities	-	-
	Cash used in operating activities	**(2,075.45)**	**(1,980.87)**
	Income Tax paid	(711.06)	(626.67)
	Net Cash Flows from/(used in) operating activities -A	**(2,786.51)**	**(2,607.54)**
B.	**Cash flows from investing activities**		
	Long Term Loans given	(1,349,436.40)	(284,966.66)
	Purchase of Non Current Investments	(240,610.00)	-
	Investment in FDR	(447.00)	(6,299.18)
	Profit on redemption of Mutual Funds	840.99	422.20
	Interest received on Long Term Loan given	82,549.94	58,661.00
	Interest Received from Bank	734.73	168.40
	Net Cash Flows used in investing activities - B	**(1,506,367.74)**	**(232,014.24)**
C.	**Cash flows from financing activities**		
	Proceeds from Issue of unit capital	727,206.41	143,013.67
	Expense incurred towards initial public debt offering	-	(1,689.00)
	Expense incurred towards institutional unit allotment	(1,471.46)	(1,099.13)
	Processing Fee paid	(1,482.16)	(197.00)
	Proceeds from Long Term Borrowings	884,700.00	150,000.00

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Distribution paid to unit holders	(54,491.29)	(34,927.86)
	Repayment of Long Term Borrowings	(3,759.73)	(1,010.98)
	Finance Costs Paid	(24,909.51)	(11,180.86)
	Net Cash Flows from/(Used in) financing activities -C	**1,525,792.27**	**242,908.84**
	Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	16,638.03	8,287.05
	Cash and Cash Equivalents at the Beginning of the Year	14,080.38	5,793.33
	Cash and Cash Equivalents at the end of the Year (Refer Note 7)	**30,718.41**	**14,080.38**

Reconciliation of liabilities arising from Financing Activities pursuant to Ind AS 7 - Statement of Cash Flows.

Net Debt Recognition

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Carrying amount of debt at the beginning of the year	294,158.33	146,537.80
b)	Additional borrowings during the year	884,700.00	150,000.00
c)	Repayments during the year	(3,759.73)	(1,010.98)
d)	Other adjustments/settlements during the year	-	-
e)	Transaction Cost adjustment	(1,649.66)	(1,368.49)
f)	Carrying amount of debt at the end of the year	**1,173,448.94**	**294,158.33**

Note:

(i) The above Statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7 Statement of Cash Flows".

(ii) Amounts in bracket represent outflows.

This is the Cash Flow Statement referred to in our report of even date.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

STANDALONE STATEMENT OF CHANGES IN UNIT HOLDERS EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Initial Settlement Amount (All amounts are in ₹ lakh unless otherwise stated)

Particulars		Amount
Balance as at April 1, 2022		0.10
Changes in unit capital		-
Balance as at March 31, 2023		0.10
Changes in unit capital		-
Balance as at March 31, 2024		**0.10**

B. Unit Capital* (All amounts are in ₹ lakh unless otherwise stated)

Particulars	Number of unit	Amount
Balance as at April 1, 2022	**595,200,000**	**599,442.82**
Changes in unit capital	131,205,200	143,013.67
One time issue expenses	-	(852.17)
Balance as at March 31, 2023	**726,405,200**	**741,604.32**
Changes in unit capital	585,795,400	727,206.41
One time issue expenses	-	(1,717.27)
Balance as at March 31, 2024	**1,312,200,600**	**1,467,093.46**

Issue expenses of ₹ 1,717.26 lakhs (31st March, 2023: ₹ 852.17 lakhs) incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation

STANDALONE STATEMENT OF CHANGES IN UNIT HOLDERS EQUITY FOR THE YEAR ENDED MARCH 31, 2024 Cont.

C. Other Equity** (All amounts are in ₹ lakh unless otherwise stated)

Particulars	Reserves and Surplus	Items of Other Comprehensive Income	Total
		Items that will not be reclassified to profit or loss	
	Retained Earnings	Remeasurement of Defined Benefit Obligation/ Plan	
Balance as at April 1, 2022	**18,124.33**	**-**	**18,124.33**
Profit for the year	77,236.17	-	77,236.17
Less:		-	
Distribution to unit holders		-	
Return on capital	-	-	-
Interest	34,183.66	-	34,183.66
Other Income	744.20	-	744.20
Balance as at March 31, 2023	**60,432.64**	**-**	**60,432.64**
Profit for the year	96,819.27	-	96,819.27
Less:			
Distribution to unit holders^			
Interest	53,701.68	-	53,701.68
Other Income	789.60	-	789.60
Balance as at March 31, 2024	**102,760.63**	**-**	**102,760.63**

^The distribution relates to the distributions during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the period 1st February, 2024 to 31st March, 2024 which will be paid after 31st March, 2024. The distributions by the Trust to its unit holders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations.

* Refer Note No. 11
** Refer Note No. 12

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November 2021 issued under the InvIT regulations)

Standalone Statement of Net Assets at Fair Value

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Book value	Fair value^	Book value	Fair value^
A. Assets	2,749,429.22	2,825,799.68	1,101,723.03	1,157,786.51
B. Liabilities (at book value)	1,179,575.03	1,179,575.03	299,685.97	299,685.97
C. Net assets (A-B)	**1,569,854.19**	**1,646,225**	**802,037.06**	**858,100.54**
D. No of units	1,312,200,600	1,312,200,600	726,405,200.00	726,405,200.00
E. NAV (C/D)	**119.64**	**125.46**	**110.41**	**118.13**

^Fair values of total assets relating to the Trust as at March 31, 2024 & March 31, 2023 as disclosed above are based on the independent valuer report.

Standalone Statement of Total Return at Fair Value:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total comprehensive income for the year (As per the Standalone Statement of Profit and Loss)	96,819.27	77,236.17
Add: Other changes in fair value for the year *	76,370.46	56,063.48
Total return	**173,189.73**	**133,299.66**

*In the above statement, other changes in fair value for the period ended 31st March, 2024 and 31st March, 2023 have been computed based on the independent valuer report.

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

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

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCF)

(All amounts are in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
1	**Profit after tax as per Statement of profit and loss/income and expenditure (Standalone) (A)**	**96,819.27**	**77,236.17**
2	**Add:** Depreciation and amortization as per statement of profit and loss account. Incase of Impairment reversal, same needs to be deducted from profit and loss.	-	
3	**Add/ Less:** Loss/gain on sale of infrastructure assets	-	
4	**Add:** Proceeds from sale of infrastructure assets adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-	
5	**Add:** Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account	-	
6	**Add/ Less:** Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	(82,058.04)	(45,002.00)
7	**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.	(4,206.73)	(1,010.98)
8	**Total Adjustment (B)**	**(86,264.77)**	**(46,012.98)**
9	**Net Surplus (C) = (A+B) (NDCF)**	**10,554.51**	**31,223.19**
10	Add: Income recognised in previous year and received in this year	46,688.43	10,651.13
11	Less: Interest expenses recognised in previous year and paid in this year	(5,129.59)	-
12	**Distibutable Cash Flow**	**52,113.35**	**41,874.32**
13	Less: Amount already distributed to Unitholders (for the period from April 23 to Jan 24)(PY for the period from April 22 to December 22))	42,843.37	30,225.78
14	**Balance Net Distributable Cash Flows for the year ended 31st March, 2024**	**9,269.98**	**11,648.54**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. TRUST INFORMATION AND NATURE OF OPERATIONS

National Highways Infra Trust ("Trust" or "InvIT") is an irrevocable trust registered under the provisions of the Indian Trusts Act, 1882 on 19th October, 2020. It is registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on 28th October, 2020 having registration number IN/InvIT/20-21/0014.

The Trust was setup by National Highways Authority of India ("NHAI" or the "Sponsor"). The Trustee to the Trust is IDBI Trusteeship Services Limited (the "Trustee") and Investment Manager for the Trust is National Highways Infra Investment Managers Private Limited ("Investment Manager").

The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. The Trust's Road projects are implemented and held through special purpose vehicles ("Project SPVs"/ "Subsidiaries"). The units of the Trust were listed in Bombay Stock Exchange and National Stock Exchange on 10th November, 2021.

During FY 21-22, the Trust acquired 100% equity control in National Highway Infra Projects Private Limited (the "Project SPV") from the Sponsor with effect from 3rd November, 2021. The Project SPV (NHIPPL) has entered into five concession agreements with National Highway Authority of India ("NHAI") on 30th March, 2021 for Tolling, Management, Maintenance and Transfer of five toll road projects for a period of 30 years from the Appointed Date. The Appointed Date has commenced on 16th December, 2021.

In previous financial year, Project SPV (NHIPPL) entered into three new concession agreements with National Highway Authority of India ("NHAI") on 26th September, 2022 for Tolling, Management, Maintenance and Transfer of three toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 29th October, 2022.

During Current financial year, the Trust has invested in the equity share capital of the NHIT Eastern Projects Private Limited (Project SPV - NEPPL) & holding 100% equity share capital.

The Project SPV (NEPPL)has entered into seven concession agreements with National Highway Authority of India ("NHAI") for Tolling, Management, Maintenance and Transfer of seven toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 1st April, 2024.

The registered office of the Trust is G-5 & 6, Setor-10, Dwarka, Delhi - 110075.

The financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment Manager on 27th May, 2024.

2. MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

The Standalone Financial Statement of the Trust for the Year ended 31st March, 2024 has been prepared in accordance with Indian Accounting Standard, as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") and other accounting principles generally accepted in India to the extent not inconsistent with the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("the InvIT Regulations" (as amended) including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 6th July, 2023 herein after referred to as "SEBI Master Circular". Refer note 11 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32-Financial Instruments: Presentation). The Trust has applied the accounting policies consistently during the periods presented.

The Standalone Financial Statements of the Trust comprising of the Standalone Balance Sheet as at 31st March, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, the Standalone Statement of Changes in Unitholders' Equity for the year then ended, the Standalone statement of Net Assets at fair value as at 31st March, 2024, the Standalone statement of Total return at fair value, and the Standalone statement of Net Distributable Cash Flows (NDCFs) for the year then ended and a summary of material accounting policies and other explanatory notes have been prepared in accordance with the requirements of Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended to the extent not consistent with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereafter.

The Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Standalone Financial Statements have been prepared on historical cost basis using uniform policies as explained in the accounting policies below for like transactions and other events in similar circumstances, except for certain financial instrument and contingent consideration which are measured at fair value at the end of each reporting period as explained in relevant accounting policies.

The financial statements are presented in Indian Rupees (INR) which is the Trust's functional and presentation currency, and all amounts are rounded to the nearest Lakh (₹00,000) and two decimals thereof, except as otherwise stated.

Impact of the initial application of new and amended IND ASs that are effective for current year

In the current year, the Trust has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1st April, 2023.

(a) The Trust has adopted the amendments to Ind AS 1 – "Presentation of Financial Statements" for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

(b) The Trust has adopted the amendments to Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

2.1 Summary of Material accounting policies

a) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Trust has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust expects to be entitled in exchange for those goods or services. The Trust has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer. Revenue is measured at the transaction price of the consideration received or receivable, excluding the estimates of variable consideration that is allocated to that performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognised either at a point in time or over time, when (or as) the Trust satisfies performance obligations by transferring the promised goods or services to its customers.

Interest income - Interest income is recognised using the effective interest method.

Dividends - Dividend income is recognised when the Trust's right to receive the payment is established.

Other items - Other items of income are recognised as and when the right to receive the income arises.

c) Taxes on income

Current income tax

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realized or settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

d) Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments

Contingent Liabilities

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible

Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

e) Financial Instruments

Financial assets and financial liabilities are recognized when the Trust becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the Statement of Profit and Loss.

If the Trust determines that the fair value at initial recognition differs from the transaction price, the Trust accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Trust recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Trust recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1. Classification of Financial Assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

2. Amortized cost and effective interest method

Income is recognized on an effective interest method as per Ind AS 109 for financial assets other than

those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the "Other income" line item.

3. Impairment of financial assets (Expected credit loss model)

An impairment loss on financial asset is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. Impairment loss, if any, are recognised in Statement of Profit or Loss for the period.

4. De-recognition of financial assets

The Trust derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the Statement of Profit or Loss on disposal of that financial asset.

b) Financial Liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

De-recognition of financial liabilities

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carried amount is recognized in the Statement of Profit and Loss

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

c) Classification as debt or equity

Debt and equity instruments issued by Trust are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

f) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.

Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables, transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses;
- all other items for which the cash effects are investing or financing cash flows.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Trust's cash management.

g) Investment in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements.

h) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks and short-term deposits with an original maturity of three months or less, and investments in overnight mutual funds which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Trust's cash management.

i) Borrowing Costs

Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds.

Borrowing costs are expensed in the period in which they are incurred.

j) Distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in other equity.

k) Earnings per Unit (EPU)

Basic EPU are calculated by dividing the profit for the period attributable to unitholders by the weighted average number of units outstanding during the period.

Diluted EPU are calculated by dividing the profit/(loss) attributable to unitholders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

l) Recent Pronouncements

As on 31st March 2024, there are no new standards or amendment to the existing standards applicable to the trust which has been notified by Ministry of Corporate Affairs.

m) Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these

assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Trust's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Classification of unit holders Funds

The Unit Capital has been presented as "Equity" in accordance with the InvIT Regulations instead of compound financial instrument. Refer note 11 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32-Financial Instruments: Presentation).

Fair value measurements

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

Fair valuation and disclosures

SEBI Master Circular issued under the SEBI InvIT Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external Registered Valuers to perform the valuation. The Investment Manager works closely with the valuers to give all the required inputs to the model. The valuation report and findings are discussed at the meeting of the Board of Directors on yearly basis to understand the changes in the fair value of the subsidiaries. The inputs to the valuation models are taken from Independently conducted Technical and Traffic studies and observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as weighted average cost of capital, tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

Impairment of investments and loans in subsidiaries

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments in subsidiaries are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the remaining SCA period of the projects.

Expected Credit Loss on financial assets

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Trust assessed the credit risk of the financial assets and concluded that no provision for ECL is required.

Notes to Standalone Financial Statements for the year ended March 31, 2024

3. Investments: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity Instruments, at cost (unquoted)		
Subsidiary company Investment in Equity Shares of Project SPV (NHIPPL) (1,29,41,00,000 nos of fully paid up equity shares of Face Value Rs. 10 each)	139,553.52	139,553.52
Investment in Equity Shares of Project SPV (NEPPL) (240,61,00,000 nos of fully paid up equity shares of Face Value Rs. 10 each)	240,610.00	-
Total	**380,163.52**	**139,553.52**

Note :

a) Details of shares pledged with lenders who have extended the loan facility to the Trust are as follows:

Name of the Company:	As at March 31, 2024	As at March 31, 2023
National Highways Infra Projects Private Limited	1,294,100,000	1,294,100,000
NHIT Eastern Projects Private Limited	2,406,100,000	

4. Loans: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Loan to related party - Project SPV (NHIPPL) (Maximum amount outstanding during the year: ₹ 9,09,506.66 lakh; PY: ₹ 8,90,606.66 lakh)	909,506.66	890,606.66
Loan to related party - Project SPV (NEPPL) (Maximum amount outstanding during the year: ₹ 13,30,536.39 lakh; PY: ₹ Nil)	**1,330,536.39**	**-**
Total	**2,240,043.05**	**890,606.66**

*Based on the assessment of funds availability at SPV level it is estimated that principal repayments are not expected during the next financial year and therefore entire portion loans has been classified as non current financial asset.

Loans are non-derivative financial assets which are repayable by subsidiaries as per the repayment schedule mentioned in the facility agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loans to subsidiaries carry interest @ 12.70% p.a.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note: Details of Loans/ Advances in the nature of loan granted to Promoters, Directors, Key Managerial Personnels (KMPs) and related parties

(All amounts are in ₹ lakh unless otherwise stated)

Type of Borrowers	As at March 31, 2024	As at March 31, 2023
(i) Promoters	-	-
(ii) Directors	-	-
(iii) KMPs	-	-
(iv) Related parties	2,240,043.05	890,606.66

Details of loans and advances in the nature of loans to subsidiaries/associates (including interest receivable):

The Trust has granted long term loan amounting to ₹ 6,500 lakhs for Round 1 (R1) assets and ₹ 12,400 lakhs for Round 2 (R2) assets (PY: ₹ 2,849.66 Crore for R2) at the rate of 12.70% p.a. to subsidiary company NHIPPL for R1 & R2 via Facility Agreement dated 29th September, 2021 & 10th October, 2022 respectively for financial assistance to be utilized for the purposes and terms and conditions as mentioned in the Concession Agreement between NHAI and NHIPPL. The repayment schedule for the R1 loan involves 102 quarterly installments due by 31st March 2047 or earlier, while the R2 loan is to be repaid annually from March 2037 until March 2043 or earlier in accordance with premature repayment only if (A) on the relevant principal repayment dates(s), sufficient amount are available with the borrower (Which are available and permitted to be utilised towards repayment of such principal amounts, without such utilising being in or resulting in breach of financial documents) to make such payments in full or part or (B) the senior lender has sent a letter to the borrower requesting it to make payments on the relevant repayment date. However no principal amount under InvIT senior facility will be due and payable by the borrower unless the borrower has the project cash flows as aforesaid to make such payment in full or part in accordance with the repayment schedule or the senior lender has sent a letter to the borrower requesting it to make the payment on the relevant repayment date.

The Trust has granted long term loan amounting to ₹ 13,30,536.39 lakhs for Round 3 (R3) assets at the rate of 12.70% p.a. to subsidiary company NEPPL via Facility Agreement dated 12th March, 2024 for financial assistance to be utilized for the purposes and terms and conditions as mentioned in the Concession Agreement between NHAI and NEPPL. The repayment schedule for the loan involves 5 annual installments starting from 31st March, 2039 upto 31st March, 2043 or earlier, and in accordance with premature repayment only if (A) on the relevant principal repayment dates(s), sufficient amount are available with the borrower (which are available and permitted to be utilised towards repayment of such principal amounts, without such utilising being in or resulting in breach of financial documents) to make such payments in full or part or (B) the senior lender has sent a letter to the borrower requesting it to make payments on the relevant repayment date. However, no repayments for the principal under the InvIT senior facility are mandatory unless the borrower can cover such payment, in full or partly, through the project's cash flows following the repayment schedule, or if a request is received from the senior lender by the borrower.

Notes to Standalone Financial Statements for the year ended March 31, 2024

5. Other Financial Assets: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposits with banks*	9,916.99	9,469.99
Deposit - Debenture recovery expense fund for NCD's	15.00	15.00
Interest receivable on Debenture recovery expense fund	1.32	0.42
Interest receivable on fixed deposits	241.17	185.43
Total	**10,174.48**	**9,670.84**

*The Fixed Deposits are kept in Debt Servicing Reserve Account (DSRA) as per borrowing agreements with lenders and as per terms of the debenture trust deed, to be utilized at the end of tenure of long term borrowings from Senior Lenders and to maintain DSRA balance for Debenture holders, hence classified as Other Financial Assets- Non Current irrespective of date of maturity.

6. Other Non-Current Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Processing fees paid for undrawn loan	95.43	-
Total	**95.43**	**-**

7. Cash and Cash Equivalents

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash & Cash Equivalents		
Balances with Banks*		
In Current Accounts	76.02	0.01
In Escrow Account	467.42	338.04
Fixed Deposits (having original maturity of less than 3 months)	-	10,000.00
Mutual Funds**	30,174.97	3,742.33
Total	**30,718.41**	**14,080.38**

*These balances with banks are hypothecated against secured borrowings.
**Investment in Mutual Funds includes ₹ 15,000 Lakhs raised in current year from unit issue for leap projects, to be utilised for creation of DSRA against loans raised for leap projects. Further these investments also includes ₹ 4106.06 Lakhs pertaining to one time issue related expenses unutilized as on 31st March, 2024.

Notes to Standalone Financial Statements for the year ended March 31, 2024

8. Other Financial Assets: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest receivable on long term loans	87,242.01	46,688.43
Interest receivable on Fixed Deposits	-	3.73
Others receivables*	292.14	-
Total	**87,534.15**	**46,692.16**

*Others receivables includes recoverable from both the SPV's (National Highways Infra Projects Private Limited & NHIT Eastern Projects Private Limited).

9. Current Tax Assets (Net)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax paid *	7.04	-
Total	**7.04**	**-**

*Refer Note No. 17

10. Other Current Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses*	10.49	373.10
GST Input credit carryforward	523.36	642.12
Processing fees paid for undrawn loan	152.84	103.49
Advance to Vendor	6.45	0.76
Total	**693.14**	**1,119.47**

*Prepaid includes Round 3 expenses of ₹ Nil during the current period and ₹ 290.72 Lakh in previous year.

11. Unit Capital

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Units	Amount	No of Units	Amount
Unit Capital*				
Opening balance	726,405,200	741,604.32	595,200,000.00	599,442.82
Add: Units issued during the year	585,795,400	727,206.41	131,205,200	143,013.67
Less: Issue expenses (refer note below)	-	(1,717.27)	-	(852.17)
Balance as at year end	**1,312,200,600**	**1,467,093.46**	**726,405,200**	**741,604.32**

Notes to Standalone Financial Statements for the year ended March 31, 2024

*58,57,95,400 units issued at ₹ 124.14 per unit during current financial year (13,12,05,200 unit issued at ₹ 109 per unit in previous financial year).

In current year the Trust offered an issue of 58,57,95,400 units of National Highways Infra Trust ("NHIT"), for cash at a price of ₹ 124.14 per unit (the "issue price"), aggregating to ₹ 7,27,206.41 lakh through Institutional and preferential placement in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder.

In previous year the Trust offered an issue of 13,12,05,200 units of National Highways Infra Trust ("NHIT"), for cash at a price of ₹ 109.00 per unit (the "issue price"), aggregating to ₹ 1,43,013.67 lakh through Institutional and preferential placement in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder.

Issue expenses of ₹ 1,717.26 lakhs (31st March, 2023: ₹ 852.17 lakhs) incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation

Rights/ preferences and restrictions attached to Unit Capital

Subject to the provisions of the InvIT Regulations, the indenture of funds, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each unitholder shall be equal and limited to the proportion of the number of the units held by that unitholder to the total number of units.
b) Right to receive income or distributions with respect to the units held.
c) Right to attend the annual general meeting and other meetings of unit holders of the Trust.
d) Right to vote upon any matters/resolutions proposed in relation to the Trust.
e) Right to receive periodic information having a bearing on the operation or performance of the Trust in accordance with the InvIT Regulations.
f) Right to apply to the Trust to take up certain issues at meetings for unit holders approval.
g) Right to receive additional information, if any, in accordance with InvIT documents filed with Placement Memorandum.

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Not withstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compare to the other units.

Under the provisions of the InvIT Regulations, not less than 90% of the net distributable cash flows of the Trust is required to be distributed to the unitholders, and in accordance with such statutory obligation the Trust has formulated a distribution policy to declare and distribute the distributable cash flows to its unitholders atleast once every financial year as approved by the Board of Directors of the Investment Manager. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations. The distribution in proportion to the number of units held by the unitholders. The Trust declares and pays in distributions in Indian rupees.

Limitation to the Liability of the unit holders

The liability of each unit holders towards the payment of any amount (that may arise in relation to the Trust including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments. The unit holders shall not have any personal liability or obligation with respect to the Trust."

Notes to Standalone Financial Statements for the year ended March 31, 2024

Classification of Unit Holders' Funds

Under the provisions of the InvIT Regulations, NHIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of NHIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20th October, 2016 and No. CIR/IMD/DF/127/2016 dated 29th November, 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20th October, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Details Of Unitholders Holding More Than 5% Units In The Trust

Name Of Unitholders	As at March 31, 2024		As at March 31, 2023	
	No. of Units	%	No. of Units	%
Ontario Limited	328,050,150	25.00%	181,601,300	25.00%
CPP Investment Board Private Holdings Inc.	328,050,150	25.00%	181,601,300	25.00%
SBI Balanced Advantage Trust	63,160,260	4.81%	63,160,260	8.69%
National Highways Authority of India (NHAI)	203,072,000	15.48%	115,202,600	15.86%

As per records of the Trust, including its register of unitholders and other declaration received from unitholders regarding beneficial interest, the above unitholding represent both legal and beneficial ownership of units.

The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash during the year.

Reconciliation of Number of Units Outstanding is set out below*:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Units	Amount (amounts in ₹ lakh)*	No of Units	Amount (amounts in ₹ lakh)*
Number of Units at the beginning of the year	726,405,200	744,165.67	595,200,000	601,152.00
Units issued during the year	585,795,400	727,206.41	131,205,200	143,013.67
Number of Units at the end of the year	1,312,200,600	1,471,372.08	726,405,200	744,165.67

*Amount related to issue expenses are not deducted in the reconciliation of number of unit capital outstanding.

Notes to Standalone Financial Statements for the year ended March 31, 2024

12. Other Equity

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	60,432.64	18,124.33
Total comprehensive income for the year	96,819.27	77,236.17
Less:		
Distribution to unit holders^		
Interest	53,701.68	34,183.66
Other Income	789.60	744.20
Balance as at 31st March 2024	**102,760.63**	**60,432.64**

^The distribution relates to the distributions during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the period 1st February, 2024 to 31st March, 2024 which will be paid after 31st March, 2024. The distributions by the Trust to its unit holders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations.

13. Borrowings: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars		As at March 31, 2024	As at March 31, 2023
Secured			
Non-Convertible Debentures		150,000.00	150,000.00
Less: Unamortised Borrowing Cost - NCD		1,360.91	1,411.80
Total		**148,639.09**	**148,588.20**
Note:- Other terms and conditions of NCD			
i) Interest rate	7.90% p.a payable semi annually.		
ii) Terms of repayment	Redemption of respective STRPP shall be made in equal instalments **i) STRPP A** - starting from eighth anniversary of deemed date of allotment till thirteenth anniversary. **ii) STRPP B** - starting from thirteenth anniversary of deemed date of allotment till eighteenth anniversary. **iii) STRPP C** - starting from eighteenth anniversary of deemed date of allotment till twentyfifth anniversary.		
Term Loan			
From Banks		721,927.70	145,987.43
From Financial Institution		305,000.00	-
		1,026,927.70	**145,987.43**

Notes to Standalone Financial Statements for the year ended March 31, 2024

13. Borrowings: Non Current (Cont.)

Particulars	As at March 31, 2024	As at March 31, 2023
Less: Current Maturities of Long Term Borrowings (Refer Note 14)	10,054.00	2,000.00
Less: Unamortised Borrowing Cost - Term Loan	2,117.85	417.30
Total	**1,014,755.85**	**143,570.13**
Grand Total	**1,163,394.94**	**292,158.33**

During the year ended 31st March 2024, the Trust has obtained the sanction of ₹ 877 Crores from the Axis bank for initial improvement works of Round 2 Assets. Further Trust has obtained sanction of ₹ 9000 Crores from banks and financial institution for acquistion of Round 3 Assets and has taken a disbursement of ₹ 8658 Crore during the year.

Loan from Banks include loan received from IDBI Bank which is Promoter of IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust, therefore the transactions with IDBI Bank are disclosed in Related Party Transaction.

Note:- Other terms and conditions of Term Loans

i) Interest rate	Benchmark Rate plus spread applicable on each reset date for facility agreement.
ii) Terms of repayment	Repayable in unstructured quarterly instalments with last repayment date upto 31st March, 2041 & 31st March, 2042 for facility agreement of R1 & R2 Assets respectively. Repayable in unstructured quarterly instalments with last repayment date upto 31st March, 2042 for facility agreement of R3 Asset.

Security for Term Loans:

The loan is secured by,

- first pari passu charge on all immovable assets (if any), movable assets and receivables of the Trust including but not limited to,

  (i) the interest and principal repayments on the loans advanced by the Trust to Project SPVs

  (ii) dividends to be paid by Project SPVs to the Trust

- first pari passu Security Interest on Trust Escrow account and all sub-accounts thereunder, including DSRA.

- pledge of 100% equity shares of Project SPVs' (NHIPPL & NEPPL) in dematerialized form held by the Trust

- assignment of loans advanced by the Trust to Project SPVs' (NHIPPL & NEPPL) and securities created by the Trust including the assignment of rights of substitution, termination and invocation of provision of Escrow agreement in case of default.

- negative lien on immovable assets (including current assets and cash flows) of the Project SPVs (NHIPPL & NEPPL) subject to sale of obsolete items or cars/ ambulances, old toll equipment etc., under normal business practice, subject to maximum cumulative value of INR 5 Crore in any financial year for R1 projects / INR 2 Crore per project in any financial year for R2 & R3.

Notes to Standalone Financial Statements for the year ended March 31, 2024

The senior lenders of the Trust have also been provided with a corporate guarantee from Project SPV (NHIPPL) to guarantee upto the secured obligations of the Trust. The funds have been raised at Trust level from unitholders and domestic lenders, and the same have been lent to Project SPV (NHIPPL) for payment of concession fee by NHIPPL to NHAI. The cashflows viz., toll collections are lying in NHIPPL. Accordingly, corporate guarantee amounting upto the secured obligations of the Trust via Corporate Guarantee Deed dated 14th April, 2022 and 8th January, 2024, valid across the tenure of the loan of the Trust i.e. up to 31st March, 2041 and 31st March, 2042 respectively, has been provided by the Project SPV (NHIPPL) to the senior lenders of the Trust.

Nature of Security for Non Convertible debentures:

The debenture holders are secured by:

a) a first ranking pari passu Security Interest over the Trust's immovable assets (if any), both present and future. The Trust does not own any immovable property at the present time. In the event, the Trust acquires any immovable property in future, the Trust shall mortgage said property within 180 (one hundred eighty) days from the date of acquisition of such immovable assets. The Debenture Trustee shall be authorised to do all acts, deeds, and enter into necessary documents, agreement, amendments and/or modifications, as may be required to give effect the same, including carrying out the due diligence as may be required by Debenture Trustee;

b) a first ranking pari passu Security Interest over the Hypothecated Assets (including Receivables), both present and future; and

c) Negative Lien Undertaking

d) corporate guarantee executed by the Project SPV (NHIPPL) in favour of the Debenture Trustee for guaranteeing the due repayment of the secured obligations in accordance with the terms of the Debenture Trust Deed.

The non convertible debenture holders of the Trust acting through debenture trustee have also been provided with a corporate guarantee from Project SPV (NHIPPL) to guarantee the repayment of amount raised from non convertible debenture holders by the Trust. The funds have been raised at Trust level from debentureholders, have been lent to Project SPV (NHIPPL) for payment of concession fee by NHIPPL to NHAI. Accordingly, corporate guarantee amounting upto the secured obligations via Corporate Guarantee Deed dated 21st October, 2022 is valid till all outstanding principal and accrued interest payable by the Trust are satisfied to the non convertible debenture holders of the Trust.

There have been no breaches in financial covenants with respect to the borrowings from either senior lenders or debenture holders.

14. Borrowings: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Current Maturities of Long Term borrowings (Refer Note 13)	10,054.00	2,000.00
Total	**10,054.00**	**2,000.00**

Notes to Standalone Financial Statements for the year ended March 31, 2024

15. Trade Payables: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding, dues of micro and small enterprises	36.17	3.88
Total outstanding, dues of trade payables other than micro and small enterprises (Outstanding for less than 12 months from the due date of payment)	733.58	342.69
Total	**769.75**	**346.57**

Note:-

Details of dues to micro and small enterprises as per MSMED Act, 2006.

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	36.17	3.88
b) Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Trade Payable aging schedule as on 31st March 2024

Particulars	Not due	Outstanding for following period from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	36.17	-	-	-	36.17
ii) Others	635.41	96.72	1.45	-	-	733.58
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**635.41**	**132.89**	**1.45**	**-**	**-**	**769.75**

Trade Payable aging schedule as on 31st March 2023

Particulars	Not due	Outstanding for following period from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	3.88	-	-	-	3.88
ii) Others	90.34	252.35	-	-	-	342.69
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**90.34**	**256.23**	**-**	**-**	**-**	**346.57**

16. Other financial liabilities

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Others		
Interest accrued but not due on NCD	5,162.05	5,129.59
Total	**5,162.05**	**5,129.59**

17. Current tax liabilities (Net)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax	-	8.98
Total	**-**	**8.98**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Reconciliation of Current Tax Liabilities

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	**8.98**	**161.77**
Add: Income Tax Payable for the year	697.56	473.89
Less: Income taxes paid during the year (including earlier year taxes)	713.58	626.68
Closing Balance	**(7.04)**	**8.98**

18. Other current liabilities

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities (GST and TDS payable)	194.29	42.50
Total	**194.29**	**42.50**

19. Interest income on loan given to subsidiaries

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Long Term Loan given	123,103.51	94,698.30
Total	**123,103.51**	**94,698.30**

20. Interest income

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On fixed deposits with banks	786.74	352.28
Total	**786.74**	**352.28**

21. Profit on sale of investments

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on redemption of Mutual Funds	840.99	422.20
Total	**840.99**	**422.20**

22. Other Income

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Other non operating income		
Other Income	4.21	316.59
Total	**4.21**	**316.59**

Notes to Standalone Financial Statements for the year ended March 31, 2024

23. Audit fees

Statutory audit expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory auditors' remuneration:		
Audit fees	2.95	1.70
Limited Review	2.80	1.20
Total	**5.75**	**2.90**
Other audit services (including certification)		
Certification Charges	1.72	0.88
Total	**1.72**	**0.88**

Further an amount of ₹ 3 lakh (31st March, 2023: ₹ 6 lakh) paid to auditor as certification charges has been booked as part of one time expenses in the Unit Capital. (Refer note no. 11)

24. Finance cost

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Term Loan Borrowings	13,059.49	11,244.91
Interest on Debentures	11,882.48	5,129.59
Other Financial Charges	197.71	215.67
Total	**25,139.68**	**16,590.17**

25. Other expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Legal and Professional fees	134.87	170.06
Fee, Subscription & Taxes	2.51	0.24
Bank charges	0.03	0.08
Miscellaneous expenses	51.23	19.78
Total	**188.64**	**190.16**

Notes to Standalone Financial Statements for the year ended March 31, 2024

26. Tax Expense

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	697.56	473.89
Provision for Taxation–Earlier years	(2.52)	0.01
	695.04	473.90
Deferred tax expense/(credit)	-	(3.16)
Current Tax Expense	**695.04**	**470.74**

Effective tax Reconciliation:

Numerical reconciliation of tax expense applicable to (profit)/ loss before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting Profit before Income Taxes	97,514.31	77,706.92
Tax at India's statutory income tax rate - Maximum Marginal Rate (42.744%)	41,681.52	33,215.04
Impact of exemption u/s 10(23FC) of the Indian Income Tax Act, 1961 available to the Trust	(40,986.48)	(32,741.15)
Impact of deferred tax on reversible allowance/ disallowance of business expense and income, as per Indian Income Tax Act, 1961	-	(3.16)
Provision for interest on delayed deposit of income tax	-	-
Income tax expense reported in the statement of profit and loss	**695.04**	**470.74**

27. Earnings per unit

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and diluted EPU		
Net Profit/ loss available for unitholders (in ₹ lakh)	96,819.27	77,236.17
Weighted average number of units for EPU computation	753,614,276	656,668,738
EPU - Basic and diluted	**12.85**	**11.76**

Notes to Standalone Financial Statements for the year ended March 31, 2024

28. Capital and Other Commitments

(to the extent not provided for & certified by the management)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commitments:		
Commitment for loan to Subsidiary Company (Project SPV- NHIPPL)	121,594.00	140,494.00
Commitment for loan to Subsidiary Company (Project SPV- NEPPL)	34,658.61	-
	156,252.61	**140,494.00**

29. Capital Management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust.

The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the dividend payment/ income distribution to unit holders (subject to the provisions of SEBI InvIT Regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unit holders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum.

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Debt Components:		
Long Term Borrowings (Non-Current portion) (secured)	1,163,394.94	292,158.33
Current Maturities of Long-Term Borrowings (secured)	10,054.00	2,000.00
Trade payables	769.75	346.57
Other financial liabilities	5,162.05	5,129.59
Less: Cash and Cash Equivalents	(30,718.41)	(14,080.38)
Less: Other Financial Assets comprising DSRA FDs	(10,174.48)	(9,670.84)
Net Debt (i)	**1,138,487.85**	**275,883.27**
Capital Components:		
Unit Capital	1,467,093.46	741,604.32

Notes to Standalone Financial Statements for the year ended March 31, 2024

29. Capital Management (Cont.)

Particulars	As at March 31, 2024	As at March 31, 2023
Initial Settlement Amount	0.10	0.10
Other Equity	102,760.63	60,432.64
Total Capital (ii)	**1,569,854.19**	**802,037.06**
Capital and Net Debt [(iii) = (i) + (ii)]	**2,708,342.04**	**1,077,920.33**
Gearing Ratio (i)/(iii)	**42.04%**	**25.59%**

In order to achieve this overall objective, the Board of Directors of Investment Manager, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

30. Financial Risk Management

The Trust's risk management policies are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

The Board of Directors of Investment Manager has overall responsibility for the establishment and oversight of the Trust's risk management framework.

In performing its operating, investing and financing activities, the Trust is exposed to the Credit risk, Liquidity risk and Market risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, Receivables and Payables and Investments measured at FVTPL.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2024 & 31st March, 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2024 & 31st March, 2023.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust transacts business primarily in Indian Rupees only, and hence, the sensitivity of profit and loss of the Trust to a possible change in foreign exchange rates is non-existent as on 31st March, 2024 & 31st March, 2023.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to risk of changes in market interest rates generally relates primarily to long-term debt obligations with floating interest rates.

The Trust's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating Rate Borrowings	1,026,927.70	145,987.43
Total	**1,026,927.70**	**145,987.43**

Sensitivity analysis based on average outstanding Debt:

Interest rate risk analysis	Impact on profit/ (loss) before tax	
	As at March 31, 2024	As at March 31, 2023
Increase or decrease in interest rate by 25 basis points	2,567.32	364.97

Note: Profit will increase in case of decrease in interest rate and vice versa

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Trust is not exposed to price risk due to investments of surplus funds in overnight mutual funds.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The Trust is exposed to liquidity risk due to bank borrowings and trade and other payables.

The Trust measures risk by forecasting cash flows.

The Trust's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Trust's reputation. The Trust ensures that it has sufficient funds to meet expected operational expenses, servicing of financial obligations.

In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Trust's net liquidity position through rolling forecast on the basis of expected cash flows.

Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

As at March 31, 2024	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	1,024,809.85	10,054.00	26,862.00	987,893.85
Non-Convertible Debentures	148,639.09	-	-	148,639.09
Trade Payables	769.75	769.75	-	-
Other Financial Liabilities	5,162.05	5,162.05	-	-
Total	**1,179,380.74**	**15,985.80**	**26,862.00**	**1,136,532.94**

As at March 31, 2023	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	145,570.13	2,000.00	6,000.00	137,570.13
Non-Convertible Debentures	148,588.20	-	-	148,588.20
Trade Payables	346.57	346.57	-	-
Other Financial Liabilities	5,129.59	5,129.59	-	-
Total	**299,634.48**	**7,476.16**	**6,000.00**	**286,158.33**

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Trust periodically assess the reliability of the receivables, taking into account the financials conditions, current economic trends, analysis of historical bad debts and aging of receivables. With respect to credit risk arising from other financial assets of the Trust, which comprise Balances with banks, Trade Receivables, Loans and Advances and Investments, the Trust's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 27,48,729.03 Lakh and ₹ 11,00,603.57 Lakh as at 31st March, 2024 and 31st March, 2023 respectively, being the total carrying value of Loans to Subsidiary, Trade receivables, Investments, Balances with bank, bank deposits and other financial assets.

31. Disclosure pursuant to IND AS 36 "Impairment of Assets"

Based on impairment testing done which involves review of the future discounted cash flows of the subsidiary, the recoverable amount is higher than the carrying amount of the investment made in the subsidiary and accordingly, no provision for impairment is required to be recognised in the books as on the reporting date.

32. Financial Information of Investment Manager

The summary financials of Investment Manager are not disclosed alongwith these financials as its networth is not materially eroded.

Notes to Standalone Financial Statements for the year ended March 31, 2024

33. Withholding Tax liability for interest accrued but not due on non convertible debentures

The Trust has issued publicly listed non convertible debentures ("NCDs") with interest payable on semi-annual basis. Interest on these NCDs was due for payment on 25th April, 2024 and for the purpose of payment of interest, record date was 10th April, 2024 and debenture-holders existing as on 10th April, 2024 are entitled to the coupon interest. Trust has recorded liability of interest accrued till 31st March, 2024 and there is no credit in favour of any payee at the time of creating such provision as entitled payee will be identifiable as on record date i.e., on 10th April, 2024.

As on the year end March 2024, there is uncertainty with respect to the ultimate recipient of interest income, and such uncertainty would only become clear on the record date i.e., 10th April, 2024 when the obligation of payment of interest by NHIT arises and therefore Trust has not withheld any taxes at the time of creating these provisions.

34. Statement of Related Parties

A. List of Related Parties as per requirement of IND AS 24 – "Related Party Disclosures"

Enterprises where Control/ significant influence exists	National Highways Infra Projects Private Limited ('NHIPPL') (Subsidiary Company)
	NHIT Eastern Projects Private Limited ('NEPPL') (Subsidiary Company)

B. List of additional related parties as per Regulation 2(1)(zv) of the SEBI InvIT Regulations

Parties to the Trust

National Highways Infra Investment Managers Private Limited (NHIIMPL) - Investment Manager (IM) of the Trust
IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust
National Highways Authority of India (NHAI)- Sponsor
National Highways InvIT Project Managers Private Limited (NHIPMPL)- Project Manager

Promoters of the Parties to the Trust specified above

Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHIIMPL
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL
Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHAI
National Highways Authority of India (NHAI)- Promoter of NHIPMPL

Directors of the parties to the Trust specified above

Directors of NHIIMPL

Mr. Suresh Krishan Goyal
Mr. Shailendra Narain Roy
Mr. Mahavir Prasad Sharma
Mr. Pradeep Singh Kharola
Mr. N.R.V.V.M.K. Rajendra Kumar
Mr. Sumit Bose

Notes to Standalone Financial Statements for the year ended March 31, 2024

34. Statement of Related Parties (Cont.)

Mr. Pushkar Vijay Kulkarni (Appointed as Director w.e.f. 08.11.2023)
Mr. Debapratim Hajara (Appointed as Director w.e.f. 08.11.2023)
Mr. Vinay Kumar (Appointed as Nominee Director w.e.f. 27.03.2024)
Ms. Usha Monari (Appointed as Woman Independent Director w.e.f. 16.04.2024)
Mr. Bruce Cane (Ceased to be director w.e.f 07.11.2023)
Ms. Kavita Saha (Ceased to be director w.e.f 08.11.2023)
Mr. Amit Kumar Ghosh (Ceased to be director w.e.f 15.11.2023)

Directors of ITSL

Mr. Pradeep Kumar Jain
Ms. Jayashree Vijay Ranade
Mr. Pradeep Kumar Malhotra
Ms. Baljinder Kaur Mandal
Ms. Jayakumar Subramoniapillai

Directors of NHIPMPL

Mr. Akhil Khare
Mr. Ashish Kumar Singh

C. Transactions with Related Parties

(All amounts are in ₹ lakh)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Audited)	*(Audited)*
National Highways Infra Projects Private Limited (NHIPPL)		
Advancement of Long Term Loans to NHIPPL	18,900.00	284,966.66
Interest Income accrued on Long Term Loan given to NHIPPL	120,885.95	94,698.30
Reimbursement of Expense paid by NHIT on behalf of NHIPPL	9.01	432.66
National Highways Infra Investment Managers Private Limited (NHIIMPL)		
Investment Manager Fee	1,800.00	1,491.17
Advance Investment Manager Fee Paid	4.93	86.06
Expense incurred by NHIIMPL on our behalf	15.35	39.79

Notes to Standalone Financial Statements for the year ended March 31, 2024

C. Transactions with Related Parties (Cont.)

(All amounts are in ₹ lakh)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
National Highways Authority of India (NHAI)		
Issue of units of Trust to NHAI	109,081.07	21,366.83
Interest and other income distribution	8,641.92	5,589.34
IDBI Trusteeship Services Limited (ITSL)		
Payment of Trustee Fee	9.60	12.73
Other fees related to Round 1 & 2 Assets	1.50	3.54
Other Fees related to Round 3 Assets ("Project Leap")	17.58	-
IDBI Bank Limited		
Secured Loan given to NHIT	10,000.00	-
Interest Expense incurred on Loan given to NHIT	4.38	-
Repayment of Principal Amount	0.00	-
Loan Processing Fees Paid to them	41.30	-
NHIT Eastern Projects Private Limited (NEPPL)		
Subscription of Share Capital of NEPPL by NHIT	240,610.00	-
Long Term Loans given to NEPPL	1,330,536.39	-
Interest Income Accrued on Long Term Loan given to NEPPL	2,217.56	-
Short term Advance given to NEPPL	20.50	-
Expense incurred by NEPPL on our behalf	0.48	-
Expenses incurred by NHIT on their behalf	262.72	-

Notes to Standalone Financial Statements for the year ended March 31, 2024

D. Closing Balance with Related Parties

(All amounts are in ₹ lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
	(Audited)	*(Audited)*
National Highways Infra Projects Private Limited (NHIPPL)		
Investment in equity shares of NHIPPL	129,410.00	129,410.00
Outstanding Long term Loans given to NHIPPL	909,506.66	890,606.66
Interest receivable on Long Term Loan given to NHIPPL	85,024.44	46,688.43
Amount Receivable for Expenses incurred on their behalf	9.01	-
National Highways Authority of India (NHAI)		
Issue of units of Trust to NHAI	227,003.91	117,922.83
National Highways Infra Investment Managers Private Limited (NHIIMPL)		
Advance IM Fee	4.93	-
IM Fee Payable	-	1.89
IDBI Trusteeship Services Limited		
Trustee Fee Payable	1.73	1.73
Other Fees related to Round 3 Assets ("Project Leap")	2.68	-
IDBI Bank Limited		
Outstanding Secured Loan Amount	9,999.99	-
NHIT Eastern Projects Private Limited (NEPPL)		
Investment in equity shares of NEPPL	240,610.00	-
Amount Receivable for Expenses incurred on their behalf	262.64	-
Outstanding Advance Recoverable from NEPPL	20.50	-
Amount Payable for Expenses incurred on our behalf	0.44	-
Outstanding Long term Loans given to NEPPL	1,330,536.39	-
Interest Receivable on long term Loans given to NEPPL	2,217.56	-

Notes to Standalone Financial Statements for the year ended March 31, 2024

35. Financial Instrument by Category

Disclosure of Financial Instruments by Category

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortized Cost	At FTVPL	At FVOCI	Amortized Cost	At FTVPL	At FVOCI
Assets:						
Cash and Cash Equivalents	30,718.41	-	-	14,080.38	-	-
Investment in Project SPV	380,163.52	-	-	139,553.52	-	-
Loans & Advances	2,240,043.05	-	-	890,606.66	-	-
Other Financial Assets	97,708.63	-	-	56,363.00	-	-
Total	**2,748,633.61**	**-**	**-**	**1,100,603.56**	**-**	**-**
Liabilities:						
Borrowings	1,173,448.94	-	-	294,158.33	-	-
Trade Payables	769.75	-	-	346.57	-	-
Other Financial Liabilities	5,162.05	-	-	5,129.59	-	-
Total	**1,179,380.74**	**-**	**-**	**299,634.49**	**-**	**-**

Defaults and Breaches

There are no defaults during the year with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings.

There are no breaches during the year which permitted lender to demand accelerated payment.

36. Fair Values of Assets and Liabilities

The carrying amount of all financial assets and liabilities appearing in the financial statements is reasonable approximation of fair values. Fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair Value Hierarchy

The Trust uses the following hierarchy for fair value measurement of the Trust's financial assets and liabilities:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes to Standalone Financial Statements for the year ended March 31, 2024

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial Assets at Amortized Cost:				
Cash and Cash Equivalents	30,718.41	14,080.38	30,718.41	14,080.38
Investment in Project SPV	380,163.52	139,553.52	380,163.52	139,553.52
Loans & Advances	2,240,043.05	890,606.66	2,240,043.05	890,606.66
Other Financial Assets	97,708.63	56,363.00	97,708.63	56,363.00
Total	**2,748,633.61**	**1,100,603.56**	**2,748,633.61**	**1,100,603.56**
Financial Liabilities at Amortized Cost:				
Borrowings*	1,173,448.94	294,158.33	1,173,448.94	294,158.33
Trade Payables	769.75	346.57	769.75	346.57
Other Financial Liabilities	5,162.05	5,129.59	5,162.05	5,129.59
Total	**1,179,380.74**	**299,634.49**	**1,179,380.74**	**299,634.49**

The carrying value of current financial assets and other financial liabilities measured at amortised cost are considered to be same as their fair values largely due to their short term nature.

*The carrying value of borrowings approximates the fair value as the instruments are at prevailing market rate.

37. Statement of Contingent Liabilities/Contingent Assets

There are no contingent liabilities as at 31st March, 2024 (31st March, 2023: ₹ Nil)

38. Distribution made

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest	42,240.46	29,985.38
Return of capital	-	-
Dividend	-	-
Other income of the Trust	602.92	240.39
Total	**42,843.38**	**30,225.77**

Notes to Standalone Financial Statements for the year ended March 31, 2024

39. Additional Regulatory Information

Financial Ratios

S. No.	Particulars	As on March 31, 2024	As on March 31, 2023
1	Current Asset ratio (Current Assets /Current Liability)	7.35	8.22
2	Debt- Equity ratio (Debt/ Equity)	0.75	0.37
3	Debt service coverage ratio (Operating Cash flow/ External Debt Obligation)	3.46	4.60
4	Interest service coverage ratio (EBIT/ Finance cost)	4.88	5.68
5	Asset Cover ratio (valu of assets having pari-passu charges/ outstanding value of corresponding debt +interest accrued)	2.01	3.21
6	Networth	1,569,854.19	802,037.06
7	Net profit after tax	96,819.27	77,236.17
8	Outstanding redeemable preference shares (quantity and value) :	-	-
9	Capital redemption reserve/debenture redemption reserve :	-	-
10	Long term debt to working capital	10.40	5.22
11	Earning per unit	12.85	11.76
12	Bed debt to account receivable ratio	-	-
13	Current liability ratio	0.01	0.03
14	Total debt to total assets	0.43	0.27
15	ROE ratio(Net Profit/ Equity)	8.16%	10.88%
16	Inventory turnover ratio	NA	NA
17	Trade receivable turnover ratio	NA	NA
18	Trade payable turnover ratio	2.70	4.31
19	Net Capital turnover ratio (Total Income/ Net Working Capital)	1.21	1.76
20	Net profit ratio (Net profit / Total Income)	77.62%	80.63%
21	Return on capital employed ratio ((Net Profit plus Finance Cost)/ (Equity + Debt))	4.47%	8.60%
22	Return on investment (Income on Investment / Average Cost of Investment)	4.96%	17.84%

40. Disclosure of segment information pursuant to IND AS 108 "Operating Segments"

The activities of the Trust mainly include investing in infrastructure assets primarily in the SPVs operating in the road sector to generate cash flows for distribution to unit holders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment. Further, the entire operations of the Trust are only in India and hence, disclosure of secondary / geographical segment information does not arise. Accordingly, requirement of providing disclosures under Ind AS 108 does not arise.

Notes to Standalone Financial Statements for the year ended March 31, 2024

41. Investment Management Fees

i) The Investment Manager's fee as per agreement dated 21st October, 2020 will initially be ₹ 1100 Lakh (Rupees Eleven Hundred Lakhs) per annum.

ii) The Investment Management Agreement is revised and the fee with effect from 1st April, 2023 has been agreed at ₹ 1800 Lakhs (Rupees Eighteen hundred lakhs) for the Financial Year 2023-24.

iii) The management fee set out in paragraph (ii) above shall be subject to escalation on an annual basis at the rate of 10% of the management fee for the previous year.

iv) Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee and shall be payable by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL).

Payment of frequency: Payment of management fee shall be made by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL) in advance on a quarterly basis at the beginning of each quarter of a financial year.

42. The Board of Directors of the Investment Manager has declared distribution for January 2024 of ₹ 0.631 per unit which comprises of ₹ 0.606 per unit as interest and ₹ 0.025 per unit as other income on surplus funds at the Trust level in their meeting held on 4th March, 2024. Further, the Board of Directors of the Investment Manager has declared distribution for February 2024 & March 2024 of ₹ 0.705 per unit which comprises of ₹ 0.687 per unit as interest and ₹ 0.018 per unit as other income on surplus funds at the Trust level in their meeting held on 27th May, 2024.

The Board of Directors of the Investment Manager has declared distribution for Quarter 3 of FY 2023-24 of ₹ 1.697 per unit which comprises of ₹ 1.693 per unit as interest and ₹ 0.004 per unit as other income on surplus funds at the Trust level in their meeting held on 2nd February, 2024.

The Board of Directors of the Investment Manager had declared distribution for Quarter 2 of FY 2023-24 of ₹ 1.816 per unit which comprises of ₹ 1.774 per unit as interest and ₹ 0.042 per unit as other income on surplus funds at the Trust level in their meeting held on 8th November, 2023 and the Board of Directors of the Investment Manager had declared distribution for Quarter 1 of FY 2023-24 of ₹ 1.754 per unit which comprises of ₹ 1.742 per unit as interest and ₹ 0.012 per unit as other income on surplus funds at the Trust level in their meeting held on 11th August, 2023.

43. Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires the Trust makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include allowance for doubtful loans /other receivables, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

44. Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the period ended 31st March, 2024 ₹ Nil [31st March, 2023 : ₹ Nil]

45. Default and breaches

There are no defaults during the year with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings. There are no breaches during the year which permitted lender to demand accelerated payment.

Notes to Standalone Financial Statements for the year ended March 31, 2024

46. Additional regulatory information required by Schedule III

(i) Details of benami property held

The Trust does not hold any benami property and no proceedings have been initiated against the trust under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

(ii) Wilful defaulter

The Trust is not declared wilful defaulter by any bank or financial institution or any other lender during the year.

(iii) The Trust have not received any fund from any person(s) or entity{ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(iv) The Trust have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the company to or in any person{s) or entity{ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(v) Undisclosed income

The Trust have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or surveyor any other relevant provisions of the Income Tax Act, 1961.

(vi) Details of crypto currency or virtual currency

The Trust has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Derivative Contracts

The Trust did not have any long term contracts including derivative contract for which there were any material foreseeable losses.

(viii) Relationship with struck off companies.

The Trust does not have any transactions with the companies struck off under Section 248 of companies Act 2013 and therefore no further disclosure required thereunder.

Notes to Standalone Financial Statements for the year ended March 31, 2024

47. Comparative figures have been regrouped/ reclassified, wherever necessary to conform to current year's classification.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer





CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Unit Holders of National Highways Infra Trust

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **National Highways Infra Trust (hereinafter referred to as "the InvIT" or "the Trust")** and its two subsidiary (hereinafter referred to as "National Highways Infra Projects Private Limited" or "NHIPPL" and NHIT Eastern Projects Private Limited or "NEPPL") (the Trust and its subsidiary together referred to as "the Group"), which comprising of the consolidated Balance Sheet as at 31st March, 2024, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Unitholder's Equity and the consolidated Statement of Cash Flows for the year then ended, the consolidated Statement of Net Assets at fair value as at 31st March, 2024, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows of the Trust and its subsidiaries for the year then ended and notes to the consolidated financial statements including a summary of material accounting policy and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of our report on financial statements of subsidiary and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations, of the consolidated state of affairs of the Group as at 31st March, 2024, its consolidated profit including other comprehensive income, its consolidated cash flows, its consolidated statement of changes in Unitholders' equity for the year ended 31st March, 2024, its consolidated net assets at fair value as at 31st March, 2024, its consolidated total returns at fair value of the Group and the net distributable cash flows of the Trust and its subsidiaries for the year ended 31st March, 2024.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the SEBI InvIT Regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

EMPHASIS OF MATTER

a) We draw the attention to Note No. 54 to the financial statements regarding Initial Improvement Works. The group has recognized provision for initial improvement works on 1st December, 2023 amounting to ₹ 1,11,993.43 lakhs with corresponding impact in Statement of Profit and Loss amounting to ₹ 1124.63 Lakhs and ₹ 2396.83 Lakhs on account of amortization of initial improvement work and unwinding of interest on provision of initial improvement respectively.

b) We draw attention to Note 20 of the financial statements which describes that Major Maintenance Provision (MMR) is made based on the first cycle of overlay expected to occur in five to seven years and not based on the total Major Maintenance Cost estimated to be incurred over entire concession period. The discounting rate used for arriving at the present value for MMR provisions is government bond rate of 30 years for projects acquired in first phase and 20 years for projects acquired in second phase.

c) We draw the attention to Note No. 10 to the financial statements regarding Capital Advance paid to National Highway Authority of India (NHAI). The appointed date for these acquisitions is with effect from 1st April, 2024, therefore the amount paid to NHAI has been classified as capital advance.

Our opinion is not modified in respect of these matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Assessment of Impairment of Intangible Assets in form of Toll Collection Rights

Key Audit Matter	Auditor's Response
The Group operates toll assets which is constructed on Toll, Operate and Transfer (TOT) basis. The carrying value of the toll collection rights as at 31st March, 2024 is ₹ 10,88,670.84 Lakhs. In accordance with its accounting policy and requirements under Ind AS 36 "Impairment of Assets", the Management has performed an impairment assessment by comparing the carrying value of the toll collection rights to their recoverable amount. For impairment testing, value in use has been determined by forecasting and discounting future cash flows. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections and discounting rates. The determination of the recoverable amount of the toll collection right involves significant estimates and judgments and accordingly, the evaluation of impairment of toll collection rights has been determined as a key audit matter. (Refer Note No. 2.1 (d) & Note 2.1 (r) of accounting policy relating to Intangible Assets and Note No. 44 of Consolidated Financial Statements for the year ended 31st March, 2024)	Our Audit Procedures included the following:- • Verified the appropriateness of the Group's accounting policy on impairment of Intangible Assets and Valuation Methodology applied in determining the recoverable amount. • Checked the Impairment Sheet provided by the Management. • Obtained the Management Representation on the assumptions around the key drivers of the revenue projections, future cash flow, discount rates/ weighted average cost of capital that were used by them. • Tested the arithmetical accuracy of the Impairment sheet.

2. Assessment of Impairment of Goodwill on Consolidation

Key Audit Matter	Auditor's Response
Goodwill on consolidation is tested for impairment as per Ind AS 36 on an annual basis by the Group using enterprise value of respective subsidiary company to which the goodwill relates to. Enterprise value calculation involves use of future cashflow projections, discounted to present value, terminal value and other variables. These use of management projections and estimates results in inherent risk of error with respect to the valuation of Goodwill and accuracy of impairment loss, if any. Goodwill amounting to ₹ 10,144.46 Lakhs as on 31st March, 2024 (31st March, 2023: 10,144.46 Lakhs) arising out of business combination as per Ind AS 103 has been tested for impairment by the management. (Refer Note No. 2(c) & Note No-2.1 (r) for accounting policy relating to Goodwill on Consolidation, Note No. 44 of Consolidated Financial Statements for the year ended 31st March, 2024) Therefore, Impairment of Goodwill has been considered as a Key Audit Matter.	Our Audit Procedures included the following:- • Verified the appropriateness of the Group's accounting policy on impairment of Goodwill and Valuation Methodology applied in determining the enterprise value. • Checked the Impairment Sheet provided by the Management. • Obtained the Management Representation on the assumptions around the key drivers of the revenue projections, future cash flow, discount rates/ weighted average cost of capital that were used by them. • Tested the arithmetical accuracy of the Impairment sheet.

3. Provisioning of Major Maintenance/Periodic Maintenance/resurfacing expenses (Refer Note No. 20 and 53 of the Consolidated Financial Statements)

Key Audit Matter	Auditor's Response
As per Concession Agreement, the Group is obligated to perform regular maintenance along with periodic maintenance of road assets during the entire concession period. The Periodic maintenance includes resurface of pavements, repairs of structures and other equipment and maintenance of service roads. The Group has estimated the provision required towards major maintenance in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The Provision made by the Group over the Concession involves detailed Calculation and Judgement and accordingly, the major maintenance expense is considered to be the Key audit Matter.	Our Audit Procedures included the following:- • Understood the Group's Process associated with the estimation of resurfacing obligation. • Verified the requirement under Concession agreement and Group's accounting policy. • Tested the assumption used in determining the major maintenance provision. • Tested the arithmetical accuracy and also verified the disclosure in the Consolidated Financial Statements.

4. Computation and disclosures as prescribed in the SEBI InvIT regulations relating to Consolidated Statement of Net Assets at Fair Value and Consolidated Total Returns at Fair Value

Key Audit Matter	Auditor's Response
As per SEBI InvIT regulations, the Trust is required to disclose statement of net assets at fair value and statement of total returns at fair value. The fair value is determined by forecasting and discounting future cash flows from the operations of the investee entities which involves management estimates and judgements. These estimates and judgements include discounting rates, Tax rates and inflation rates which are considered for computing the fair value. There is an inherent risk in the computation of fair value due to the use of estimates and judgements mentioned above. Therefore, computation and disclosures of Consolidated statement of net assets at fair value and Consolidated statement of total returns at fair value is considered as a Key Audit Matter. Refer Note-2.1(r) Significant Accounting Assumptions – Fair Value and Disclosures and Statement of net assets at fair value and Statement of total returns at fair value in the Consolidated financial statements.	Our Audit Procedures included the following:- • Obtained the understanding of the requirements of SEBI InvIT regulations for disclosures relating to Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Returns at Fair Value. • Assessed the Valuation Report issued by the Independent Valuer engaged by the management. Also assessed the appropriateness of the Trust's valuation methodology applied in determining the fair values. • Obtained Management representation in this respect. • Tested the arithmetical accuracy of computation in the statement of net assets and total returns at fair value. • Ensured that disclosures is in compliance with SEBI InvIT regulations relating to the statement of net assets at fair value and the statement of total returns at fair value.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board of Directors of the Investment Manager is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report of Investment Manager including annexures to Investment Manager's Report and other information as required to be given by SEBI InvIT Regulations, but does not include the consolidated financial statements and our report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF INVESTMENT MANAGER FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of Investment Manager is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated Balance Sheet as at 31st March, 2024, consolidated statement of Profit & Loss including other comprehensive income, consolidated cash flows and consolidated statement of changes in Unitholder's equity for the year ended 31st March, 2024, the consolidated net assets at fair value as at 31st March, 2024, the consolidated total returns at fair value of the Group and the net distributable cash flows of the Trust and its subsidiary for the year ended 31st March, 2024 in accordance with the requirements of the SEBI InvIT Regulations, Indian Accounting Standards as defined in Rule 2(1) (a) of Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations. The respective Board of Directors of the subsidiary company included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of Investment Manager, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of Investment Manager and respective Board of Directors of the company included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Investment Manager and the respective Board of Directors of the subsidiary company included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Investment Manager.
- Conclude on the appropriateness of the Board of Directors of Investment Manager use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit and as required by SEBI InvIT Regulations, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the consolidated Statement of Cash Flows, the consolidated Statement of Changes in Unitholders' Equity, the consolidated Statement of Net Assets at fair value, the consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows of the Trust and its subsidiary dealt with by this Report are in agreement with the books of account.

c) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with SEBI InvIT regulations.

d) There were no amounts which were required to be transferred to the Investor Protection and Education Fund by the Trust.

For A. R. & Co.
Chartered Accountants
FRN. 002744C

CA Mohd Azam Ansari
Partner
Membership No: 511623
UDIN: 24511623BKCSS14693

Place: New Delhi
Date: 27th May 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
1) Non - Current Assets			
(a) Property, Plant and Equipment	3	219.29	125.17
(b) Capital work in Progress (CWIP)	4	19.76	-
(c) Goodwill	5	10,144.46	10,144.46
(d) Other Intangible assets	6	1,088,670.84	1,001,400.09
(e) Financial Assets			
(i) Other Financial Assets	7	10,177.86	9,672.44
(f) Deferred Tax Assets (net)	8	11,523.20	4,685.32
(g) Non-Current Tax Assets (Net)	9	22.38	12.06
(h) Other Non Current Assets	10	1,570,649.18	-
Total non-current assets		**2,691,426.97**	**1,026,039.54**
2) Current Assets			
(a) Financial Assets			
(i) Trade receivables	11	385.20	350.87
(ii) Cash and Cash Equivalents	12	46,400.78	21,124.08
(iii) Bank Balances Other than Cash & Cash Equivalents	13	512.98	-
(iv) Other financial assets	14	4.54	6.65
(b) Other current assets	15	2,303.89	1,634.06
Total current assets		**49,607.39**	**23,115.66**
TOTAL ASSETS		**2,741,034.36**	**1,049,155.20**
EQUITY AND LIABILITIES			
EQUITY			
1) Unit Capital	16	1,467,093.47	741,604.32
2) Initial settlement amount		0.10	0.10
3) Other Equity	17	(27,541.44)	(2,469.86)
Total Equity		**1,439,552.13**	**739,134.56**
LIABILITIES			
1) Non-Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,163,394.94	292,158.33

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
(ii) Other Financial liabilities	19	80.90	-
(b) Provisions	20	35,923.32	6,318.81
Total non-current liabilities		**1,199,399.16**	**298,477.14**
2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	10,054.00	2,000.00
(ii) Trade Payables	22		
(a) Total Outstanding, dues of micro and small enterprises		275.99	137.23
(b) Total outstanding, dues of creditors other than micro and small enterprises		4,479.00	3,871.17
(iii) Other financial liabilities	23	7,224.53	5,284.95
(b) Provisions	24	79,404.66	0.56
(c) Current Tax Liabilities (Net)	25	181.66	8.98
(d) Other current liabilities	26	463.23	240.61
Total current liabilities		**102,083.07**	**11,543.50**
Total liabilities		**1,301,482.23**	**310,020.64**
TOTAL EQUITY & LIABILITIES		**2,741,034.36**	**1,049,155.20**

Material Accounting Policies 1-2
The accompanying notes form an integral part of these consolidated financial statements. 3 - 66
This is the Consolidated Balance Sheet referred to in our report of even date.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from Operations	27	94,390.77	68,717.20
Interest Income	28	871.71	373.43
Profit on sale of investments	29	2,141.16	671.17
Other Income	30	59.53	326.11
TOTAL INCOME		**97,463.17**	**70,087.91**
EXPENSES			
Investment Manger Fee		1,800.00	1,263.70
Trusteeship Fee		9.60	9.60
Valuation expenses		11.07	4.00
Annual listing fees		53.80	20.00
Rating fees		7.73	0.20
Insurance expenses		737.91	628.74
Custodian Fees		3.15	0.84
Project Management Fees		1,168.20	991.20
Operating Expenses	31	13,665.60	9,025.05
Employee Benefits Expenses	32	1,156.60	289.01
Finance Cost	33	28,023.17	16,621.32
Depreciation & Amortization Expense	34	24,771.04	17,560.63
Audit Fees	35		
- Statutory audit fees		18.49	7.73
- Other audit services (including certification)		1.72	0.93
Other Expenses	36	2,569.62	1,924.27
TOTAL EXPENSES		**73,997.70**	**48,347.23**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit / (Loss) before Tax		**23,465.47**	**21,740.68**
Tax Expenses	37		
Current Tax		886.30	473.89
Current tax - earlier years		(2.52)	0.01
Deferred Tax expense/(credit)		(6,837.88)	(4,422.79)
Total Tax		**(5,954.10)**	**(3,948.89)**
Profit/ (loss) for the year		**29,419.57**	**25,689.57**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss		0.10	-
Income tax relating to items that will not be reclassified to profit or loss		0.03	-
		0.13	-
Total Comprehensive Income for the year	**-**	**29,419.70**	**25,689.57**
Earnings per Unit			
Basic	38	3.90	3.91
Diluted	38	3.90	3.91

Material Accounting Policies 1-2
The accompanying notes form an integral part of these consolidated financial statements. 3 - 66
This is the Consolidated Balance Sheet referred to in our report of even date.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**OPERATING ACTIVITIES**		
	Net Profit/(Loss) Before Tax	23,465.47	21,740.68
	Adjustments for :		
	Depreciation and Amortization	24,771.04	17,560.63
	Profit on redemption of mutual funds	(2,141.16)	(671.17)
	Interest income from FDR	(871.71)	(373.43)
	Finance Cost (net)	25,015.90	16,590.17
	Provision for major maintenance expenses	8,444.05	5,879.20
	Unwinding interest on major maintenance provision	2,867.62	24.95
	Provision for Leave encashment and Gratuity	52.43	11.93
	Provision for expected credit loss	-	59.60
	Bad debts written off	-	9.90
	Operating Profit/(Loss) before Working Capital Changes	**81,603.64**	**60,832.46**
	Working Capital Adjustments:		
	Decrease/ (Increase) in Trade & Other Receivables	(34.34)	180.10
	Decrease/ (Increase) in Other Non Current Financial Assets	(2.52)	(208.85)
	Decrease/ (Increase) in Other Non Current/ Current Assets	(516.99)	(834.96)
	Decrease/ (Increase) in Other Current Financial Assets	(293.92)	(293.53)
	Increase/ (Decrease) in Trade & Other Payables	12.68	3,267.01
	Increase/ (Decrease) in Other Financial Liabilities	188.39	57.50
	Increase/ (Decrease) in Provisions	(3.57)	(0.11)
	Increase/ (Decrease) in Other Current Liabilities	229.27	(0.14)
		(421.00)	**2,167.02**
	Income Tax paid	(721.42)	(626.67)
	Net Cash Flows from/ (used in) Operating Activities	**80,461.22**	**62,372.81**
B.	**INVESTING ACTIVITIES**		
	Purchase of Property, Plant & Equipment, including CWIP, capital creditors and capital advances	(1,582,977.68)	(285,101.04)
	Investment in FDR	(951.26)	(6,299.19)
	Interest received on maturity of FDR	810.99	189.55
	Profit on redemption of mutual funds	2,141.16	671.17
	Net cash flows from (used in) Investing activities	**(1,580,976.79)**	**(290,539.51)**
C.	**FINANCING ACTIVITIES**		
	Proceeds from Issue of Unit Capital	727,206.41	143,013.67
	Expense incurred towards initial public debt offering	-	(1,689.00)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024 Cont.

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Expense incurred towards institutional unit allotment	(1,471.46)	(1,099.13)
	Precessing Fee paid	(1,482.16)	(197.00)
	Distribution to Unit Holders	(54,491.29)	(34,927.86)
	Proceeds from Long Term Borrowings	884,700.00	150,000.00
	Financing charges paid	(24,909.51)	(11,180.86)
	Repayment of Long Term Borrowings	(3,759.73)	(1,010.98)
	Net cash flows from (used in) Financing activities	**1,525,792.26**	**242,908.84**
	Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	**25,276.69**	**14,742.14**
	Cash and cash equivalents at the beginning of the year	21,124.08	6,381.94
	Cash and cash equivalents at the end of the year	**46,400.78**	**21,124.08**

Reconciliation of liabilities arising from Financing Activities pursuant to Ind AS 7- Statement of Cash Flows.

Net Debt Recognition

(All amounts are in ₹ lakh unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Carrying amount of debt at the beginning of the year	294,158.33	146,537.80
b)	Additional borrowings during the year (net of processing fees)	884,700.00	150,000.00
c)	Repayments during the year	(3,759.73)	(1,010.98)
d)	Other adjustments/settlements during the year	-	-
e)	Transaction Cost adjustment	(1,649.66)	(1,368.49)
f)	Unwinding of interest		
g)	**Carrying amount of debt at the end of the year**	**1,173,448.94**	**294,158.33**

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

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November, 2021 issued under the InvIT regulations)

Consolidated Statement of Net Assets at Fair Value

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Book value	Fair value^	Book value	Fair value^
A. Assets	2,741,034.36	2,947,706.90	1,049,155.20	1,168,122.00
B. Liabilities (at book value)	1,301,482.24	1,301,482.24	310,020.64	310,020.64
C. Net assets (A-B)	**1,439,552.12**	**1,646,224.66**	**739,134.56**	**858,101.36**
D. No of units	1,312,200,600.00	1,312,200,600.00	726,405,200.00	726,405,200.00
E. NAV (C/D)	**109.71**	**125.46**	**101.75**	**118.13**

^Fair values of total assets relating to the Trust as at 31st March, 2024 & 31st March, 2023 as disclosed above are based on the independent valuer report.

Consolidated Statement of Total Return at Fair Value:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total comprehensive income for the year (As per the Consolidated Statement of Profit and Loss)	29,419.70	25,689.57
Add: Other changes in fair value for the year *	206,672.54	118,966.80
Total return	**236,092.24**	**144,656.37**

* In the above statement, other changes in fair value for the year ended 31st March, 2024 & 31st March, 2023 have been computed based on the independent valuer report.

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

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

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer

CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDER'S EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Initial Settlement Amount

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Amount
Balance as at April 1, 2022	**0.10**
Changes in unit capital	-
Balance as at March 31, 2023	**0.10**
Changes in unit capital	-
Balance as at March 31, 2024	**0.10**

B. Unit Capital*

Particulars	Number of unit	Amount
Balance as at April 1, 2022	**595,200,000**	**599,442.82**
Changes in unit capital	131,205,200	143,013.67
One time issue expenses		(852.17)
Balance as at March 31, 2023	**726,405,200.00**	**741,604.32**
Changes in unit capital	585,795,400.00	727,206.41
One time issue expenses		(1,717.26)
Balance as at March 31, 2024	**1,312,200,600**	**1,467,093.47**

Issue expenses of ₹ 1717.26 lakhs (31st March, 2023: ₹ 852.17 lakhs) incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation

CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDER'S EQUITY FOR THE YEAR ENDED MARCH 31, 2024 Cont.

C. Other Equity**

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Reserves and Surplus	Items of Other Comprehensive Income	Total
		Items that will not be reclassified to profit or loss	
	Retained Earnings	Remeasurement of Defined Benefit Obligation/ Plan	
Balance as at April 1, 2022	**6,768.43**	**-**	**6,768.43**
Profit/ (Loss) for the year	25,689.57	-	25,689.57
Less:			
Distribution to unit holders			
Interest	34,183.66	-	34,183.66
Other Income	744.20	-	744.20
Balance as at March 31, 2023	**(2,469.86)**	**-**	**(2,469.86)**
Profit/ (Loss) for the year	29,419.57	0.13	29,419.70
Less:			
Distribution to unit holders^			
Interest	53,701.68	-	53,701.68
Other Income	789.60	-	789.60
Balance as at March 31, 2024	**(27,541.57)**	**0.13**	**(27,541.44)**

^The distribution relates to the distributions during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the period 1st February, 2024 to 31st March, 2024 which will be paid after 31st March, 2024. The distributions by the Trust to its unit holders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations.

* Refer Note No. 16
** Refer Note No. 17

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
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Compliance Officer

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November, 2021 issued under the InvIT regulations)

a. Statement of Net Distributable Cash Flows (NDCF) at Trust Level NHIT

(All amounts are in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit after tax as per Statement of profit and loss/income and expenditure (Standalone) (A)**	**96,819.27**	**77,236.17**
2	**Add:** Depreciation and amortization as per statement of profit and loss account. Incase of Impairment reversal, same needs to be deducted from profit and loss.	-	
3	**Add/ Less:** Loss/gain on sale of infrastructure assets	-	
4	**Add:** Proceeds from sale of infrastructure assets adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-	
5	**Add:** Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account	-	
6	**Add/ Less:** Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	(82,058.04)	(45,002.00)
7	**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.	(4,206.73)	(1,010.98)
8	**Total Adjustment (B)**	**(86,264.77)**	**(46,012.98)**
9	**Net Surplus (C) = (A+B) (NDCF)**	**10,554.50**	**31,223.19**
10	Add: Income recognised in previous year and received in this year	46,688.43	10,651.13
11	Less :- Interest expenses recognised in previous year and paid in this year	(5,129.59)	-
12	**Distibutable Cash Flow**	**52,113.35**	**41,874.32**
13	Less: Amount already distributed to Unitholders (for the period from April 23 to Jan 24)(PY for the period from April 22 to December 22))	42,843.37	30,225.78
14	**Balance Net Distributable Cash Flows for the year ended March 31, 2024**	**9,269.97**	**11,648.54**

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November, 2021 issued under the InvIT regulations)

b. Statement of Net Distributable Cash Flows (NDCF) at SPV Level (NHIPPL)

(All amounts are in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Profit/ (Loss) after tax as per Statement of profit and loss/ income and expenditure (standalone) (A)**	**(65,433.38)**	**(51,546.61)**
2	**Add:** Depreciation and amortization as per statement of profit and loss account. Incase of Impairment reversal, same needs to be deducted from profit and loss.	24,770.91	17,560.63
3	**Add/ Less:** Loss/gain on sale of infrastructure assets	-	-
4	**Add:** Proceeds from sale of infrastructure assests adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-	-
5	**Add:** Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account.*	(142.72)	(134.38)
6	**Add/ Less:** Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	125,403.04	99,236.45
7	**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.**	(504.26)	(4,004.00)
8	**Total Adjustment (B)**	**149,526.96**	**112,658.71**
9	**Net Distributable Cash Flows (C) = (A+B)**	**84,093.58**	**61,112.10**

* This includes amount utilized for purchase of Property, Plant and Equipment's and Intangible Assets

** As at 31st March, 2024 this includes Fixed Deposit of ₹ 504.26 Lakhs lien marked in favor of Bank of Maharashtra against Performance Bank Guarantee issued in favour of NHAI.

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November, 2021 issued under the InvIT regulations)

Adjustment to Net Distributable Cash Flows

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Net Distributable Cash flow for the year (From (C) Above)**	**84,093.58**	**61,112.10**
2	Less: Actual Distribution during the year	(82,549.93)	(58,661.01)
	Balance	**1,543.65**	**2,451.09**
3	Add: Opening Surplus (Opening Cash adjusted with Net working Capital as on 31-03-2023)	3,896.22	-
4	Less: Cash Set Aside For movemnet in net working capital as on 31-03-2024	(254.95)	-
	Balance Distributable Cash Flow* **	**5,184.93**	**2,451.09**

*** ₹ 5,162.05 lakhs of Cash out of Balance Distributable cash as on 31st March, 2024 has been distributed to Trust in April 2024.

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. CIRSEBI/HO/DDHS_Div3/P/CIR/2021/1673 dated 29th November, 2021 issued under the InvIT regulations)

c. Statement of Net Distributable Cash Flows (NDCF) at SPV Level (NEPPL)

(All amounts are in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024
1	**Profit/ (Loss) after tax as per Statement of profit and loss/income and expenditure (standalone) (A)**	**(1693.38)**
2	**Add:** Depreciation and amortization as per statement of profit and loss account. Incase of Impairment reversal, same needs to be deducted from profit and loss.	0.13
3	**Add/ Less:** Loss/gain on sale of infrastructure assets	-
4	**Add:** Proceeds from sale of infrastructure assests adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-
5	**Add:** Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account.*	(0.50)
6	**Add/ Less:** Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.**	2,217.93
7	**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.	
8	**Total Adjustment (B)**	**2,217.57**
9	**Net Distributable Cash Flows (C) = (A+B)****	**524.19**

* This includes amount utilized for purchase of Property, Plant and Equipment's and Intangible Assets

** The distributable cash flows are retained for working capital requirements of the Company.

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

1. GROUP INFORMATION AND NATURE OF OPERATIONS

The consolidated financial statements comprise financial statements of National Highways Infra Trust ("the Trust" or "InvIT") and its subsidiaries (Project SPV - National Highways Infra Projects Private Limited (NHIPPL) & NHIT Eastern Projects Private Limited (NEPPL)) (collectively, the Group).

The Trust is an irrevocable trust registered under the provisions of the Indian Trusts Act, 1882 on 19th October, 2020. It is registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on 28th October, 2020 having registration number IN/InvIT/20-21/0014.

The Trust was setup by National Highways Authority of India ("NHAI" or the "Sponsor"), an Infrastructure Development Trust in India. The Trustee to the Trust is IDBI Trusteeship Services Limited (the "Trustee") and Investment Manager for the Trust is National Highways Infra Investment Managers Private Limited ("Investment Manager").

The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. The Trust's Road projects are implemented and held through special purpose vehicles ("Project SPVs"/ "Subsidiaries"). The units of the Trust were listed in Bombay Stock Exchange and National Stock Exchange on 10th November, 2021.

During FY 21-22, the Trust acquired 100% equity control in National Highway Infra Projects Private Limited (the "Project SPV") from the Sponsor with effect from 3rd November, 2021. The Project SPV (NHIPPL) has entered into five concession agreements with National Highway Authority of India ("NHAI") on 30th March 2021 for Tolling, Management, Maintenance and Transfer of five toll road projects for a period of 30 years from the Appointed Date. The Appointed Date has commenced on 16th December, 2021.

In previous financial year, Project SPV (NHIPPL) entered into three new concession agreements with National Highway Authority of India ("NHAI") on 26th September, 2022 for Tolling, Management, Maintenance and Transfer of three toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 26th October, 2022.

During Current financial year, the Trust has invested in the equity share capital of the NHIT Eastern Projects Private Limited (Project SPV - NEPPL) & holding 100% equity share capital.

The Project SPV (NEPPL)has entered into seven concession agreements with National Highway Authority of India ("NHAI") for Tolling, Management, Maintenance and Transfer of seven toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 1st April, 2024.

The registered office of the Trust is G-5 & 6, Sector-10, Dwarka, Delhi - 110075.

The consolidated financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment Manager 27th May, 2024.

2. MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

The Consolidated Financial Statements of the Group comprising of the Consolidated Balance Sheet as at 31st March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Unitholders' Equity for the year then ended, the Consolidated statement of Net Assets at fair value as at 31st March, 2024, the Consolidated statement of Total return at fair value, and the Consolidated statement of Net Distributable Cash Flows (NDCFs) for the year then ended and a summary of material accounting policies and other explanatory notes have been prepared in accordance with the Indian Accounting Standard as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India to the extent not inconsistent with the InvIT Regulations.

The Consolidated Financial Statements of the Group for the Year ended 31st March, 2024 has been prepared in accordance with Indian Accounting Standard, as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") and other accounting principles generally accepted in India to the extent not inconsistent with the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT regulations") (as amended) including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 6th July, 2023 herein after referred to as "SEBI Master Circular". Refer note 16 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32-Financial Instruments: Presentation). The Group has applied the accounting policies during the periods presented.

The Consolidated Financial Statements are presented in India Rupees which is also the functional currency of the Group, and all values are rounded to the nearest lakhs, unless otherwise indicated.

Impact of the initial application of new and amended IND ASs that are effective for current year:

In the current year, the Group has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1st April, 2023.

(a) The Group has adopted the amendments to Ind AS 1 – "Presentation of Financial Statements" for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

(b) The Group has adopted the amendments to Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" for the first time in the current year. The amendment replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Trust and it's Project SPVs' (NHIPPL - from date of acquisition i.e. 3rd November, 2021 & Project SPV - NEPPL - from date of incorporation i.e. 19th April, 2023).

Group consolidates entities which it owns or controls. Control exists when the Trust has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date control ceases.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated

c) Business Combination/ Goodwill on Acquisition

The Group acquires operational toll road SPV from the Sponsor. The key activity for these SPVs is toll collection and the maintenance of the toll roads.

Based on evaluation vis-a-vis the guidance on definition of business under Ind AS 103 and also keeping in view the relevant guidance on similar fact patterns available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of toll road SPVs as business combinations.

Business combinations are accounted for using the acquisition method. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are recognised in the statement of profit and loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Goodwill is initially measured at cost which is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Any impairment loss for goodwill is recognised in the consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal.

Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.1 Summary of Material Accounting Policies

a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Trust has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised:

Toll Revenue - Toll Revenue from users of toll roads held by subsidiary company is recognised in respect of toll revenue accrued for respective toll road projects. Revenue from electronic toll collection is recognised on accrual basis.

Interest income - Interest income is recognised using the effective interest method.

Dividends - Dividend income is recognised when the Group's right to receive the payment is established.

Claims with National Highways Authority of India ('NHAI') and other government authorities are accounted as and when the money is received from the respective authorities, in cases of monetary compensations.

Other items - Other items of income are recognised as and when the right to receive the income arises.

c. Property, plant and equipment

Property, plant and equipment are stated at historical cost, as applicable, less accumulated depreciation and cumulative impairment losses, if any.

Historical cost includes purchase price, borrowing costs and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to qualifying assets and includes borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use.

Depreciation on Plant and Equipment is provided using straight-line method based on estimated useful life. The estimated useful life of all the property, plant and equipment is ascertained by the management using the best estimate on the basis of technical evaluation, which is depreciated based on useful life as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each period end and adjusted prospectively, if appropriate.

The Group has estimated the following useful lives for its tangible fixed assets

Category of Assets	Estimated useful life (in years)
Temporary Structure	3
Computer	3
Office Equipments	5
Furniture & Fixtures	10
Plant and Machinery	5-20

The estimated residual value of the PPE has been taken as 5% as prescribed in Schedule II to the Companies Act, 2013. Fixed Assets amounting upto INR 5,000 are recognised in Statement of Profit and Loss in entirety in the year of purchase.

d. Intangible assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation, and cumulative impairment, if any.

Intangible Assets are stated at historical cost, as applicable, less accumulated amortisation and cumulative impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Rights under Service Concession Arrangements – Toll Collection Rights

The Group has acquired rights for Tolling, Operation, Maintenance and Transfer of five toll road projects for a period of 30 years basis Toll Concession agreements with NHAI, group further acquired rights during the Previous F.Y. 2022-23 for Tolling, Operation, Maintenance and Transfer of three additional toll road projects for a period of 20 years w.e.f. 29th October, 2022 basis Toll Concession agreements with NHAI, and the same have been recognised as Intangible Assets in the financial statements. Further, the group has acquired seven concession agreements with National Highway Authority of India ("NHAI") for Tolling, Management, Maintenance and Transfer of seven toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 1st April, 2024 and therefore the revenue and expenses of these seven road projects shall be recognised from next financial year.

Extension of concession period by the Authority in compensation for claims made by the Group are capitalised as part of Toll Collection Rights on acceptance of the claim. Where the Group has a contractual right to an extension in the concession period as per the concession agreement, the same is capitalized when the right to extension in the concession period is established at the estimated amount of eligible claims.

Amortisation of Intangible Assets

Toll Collection Rights are amortized basis a Consumption based model (using Passenger Car Unit (PCU) projections) over the tenure of the Concession Agreement. The projected traffic is based on independent traffic volume projections: amortisation is revised in case of any material change in expected pattern of economic benefits.

Other intangible assets - Software purchased is amortized over a period of three to six years on straight line basis from the month in which the addition is made. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

e. Employee benefits

Employee benefits include provident fund, gratuity, compensated absences, and medical benefits.

i. Short term employee benefits

Employee benefits such as salaries, short term compensated absences, expected cost of bonus, ex-gratia and performance linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

ii. Post-Employment Benefits

Defined contribution plan: A defined contribution plan is a post-employment plan under which an entity pays fixed contributions and will have no legal or constructive obligations to pay further amounts. The Group contributes to provident fund and employees deposit linked insurance scheme, and have no further obligations beyond making its contributions. The Group's contribution to the above funds are charged to the Consolidated Statement of Profit and Loss.

Defined benefit plan: The Group has an un-funded benefit plan for post-employment benefits in the form of Gratuity. The value of obligation under the plan is determined by the group based on best estimate of the present value of the estimated future cash flows towards the gratuity obligation. Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Consolidated Statement of Profit and Loss as employee benefits expense. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

iii. Termination benefits

Termination benefits such as compensation under employee separation schemes (wherever applicable) are recognised as expense in the Consolidated Statement of Profit and Loss. Liability for the same is recognised at the earlier of when the group can no longer withdraw the offer of the termination benefit.

iv. Other long-term employee benefits

The present value of the obligation under long term employee benefit plans such as compensated absences is determined and is recognised in a similar manner as in the case of defined benefit plans.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements are recognised in the Consolidated Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognised in the Consolidated Statement of Profit and Loss under finance cost.

f. Leases

The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, which are accounted for as under.

Short-term leases and leases of low-value assets

Short term leases are leases with a term of twelve months or less. For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

g. Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds.

Borrowing costs are expensed in the period in which they are incurred.

h. Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the Statement of Profit and Loss.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Trust recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1. Classification of Financial Assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

2. Amortized cost and effective interest method

Income is recognized on an effective interest method as per Ind AS 109 for financial assets other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the "Other income" line item.

3. Impairment of financial assets (Expected credit loss model)

An impairment loss on financial asset is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Impairment loss, if any, are recognised in Statement of Profit or Loss for the period.

4. De-recognition of financial assets

The Group derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the Statement of Profit or Loss on disposal of that financial asset.

b) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

De-recognition of financial liabilities

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carried amount is recognized in the Statement of Profit and Loss

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

c) Classification as debt or equity

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial Statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 "Inventory" or value in use in Ind AS 36 "Impairment of Assets".

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- **Level 2** inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- **Level 3** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

j. Cash and Cash Equivalents

Cash and cash equivalents in the Consolidated Balance Sheet comprise cash at banks and on hand, overnight mutual fund investments and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

k. Impairment of Non- Financial Assets

The carrying values of assets / cash generating units at each reporting date are reviewed for impairment if any indication of impairment exists. If any indication exists, the Group estimates the asset's recoverable amount use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Consolidated Statement of Profit and Loss.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

l. Taxes on income

Current income tax

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/ liability is realized or settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

m. Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments

Contingent Liabilities

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity.

Contingent assets are recognized when the realisation of income is virtually certain, in which case the related asset is not a contingent asset and its recognition is appropriate.

Contingent assets are reviewed at each reporting date. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

n. Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.

Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables, transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses;
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Consolidated Statement of Cash Flows exclude items which are not available for general use as at the date of Consolidated Balance Sheet.

o. Distribution to unit holders

The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in other equity.

p. Earnings per Unit (EPU)

Basic EPU are calculated by dividing the profit for the period attributable to unitholders by the weighted average number of units outstanding during the period.

Diluted EPU are calculated by dividing the profit/(loss) attributable to unitholders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

q. Recent Pronouncements

As on 31st March, 2024, there are no new standards or amendment to the existing standards applicable to the Group which has been notified by Ministry of Corporate Affairs.

r. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Applicability of service concession arrangement accounting to toll roads concessionaire arrangements

The Group has determined that Appendix D to Ind AS 115 "Revenue from Contracts with Customers" relating to 'Service Concession Arrangements' is applicable to the SPVs which provides an accounting by the operators of public to private service concession arrangements. The SPVs have entered into concession arrangement with National Highway Authority of India (NHAI) (the "Authority") as per which the individual SPVs would participate in Toll Operate Transfer (TOT) of the toll roads infrastructure. After the end of the Concession arrangement, the SPVs have to transfer the infrastructure i.e. toll roads constructed to the Authority.

Accordingly, the SPVs have recognized the intangible assets as per the accounting policy mentioned in Note (d) Intangible Assets.

Future revenue projections for the balance concession period

The future revenue projections are based on the assumptions made by the Group's management regarding future traffic growth and inflation factor for assessing user toll fee as supported by the studies from the third-party independent consultant for individual project done at reasonable intervals.

The Group uses the future revenue projections for the following purposes:

- **Amortisation of Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway:**

  Toll Collection Rights are amortized on the basis of Consumption based model (using Passenger Car Unit (PCU) projections) over the tenure of the Concession Agreement. The projected traffic is based on independent traffic volume projections: amortisation is revised in case of any material change in expected pattern of economic benefits.

Classification of unit holders Funds

The Unit Capital has been presented as "Equity" in accordance with the InvIT Regulations instead of compound financial instrument. Refer note 16 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32- Financial Instruments: Presentation).

Fair value measurements

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

Fair valuation and disclosures

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

Useful lives of property, plant, and equipment

Management of the Group reviews the useful lives of property, plant and equipment at each reporting date to ensure that the useful lives represent the expected utility of the assets to the Group.

Obligations relating to employee benefits

The employee benefit obligation depends on several factors that are determined on an actuarial basis using several assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employee benefit obligations.

Impairment of intangible assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the remaining SCA period of the projects.

Major Maintenance Expenses / Resurfacing Expenses

As per industry practice, the Project SPV (NHIPPL) is required to carry out resurfacing of the roads under the Concession. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally, periodic maintenance includes resurface of pavements, repairs of structures and other equipment and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly, on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

The provisions for MMR as per industry practice has been made based on the first cycle of overlay expected to occur in five to seven years and not based on the total MMR cost over entire concession period. The discounting rate used for arriving at the present value for MMR provisions is government bond rate of 30 years for projects acquired in first phase and 20 years for projects acquired in second phase.

Expected Credit Loss on financial assets

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Group assessed the credit risk of the financial assets and concluded that no provision for ECL is required.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

3. Property, Plant and Equipment

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Temporary Structure	Plant & Machinary	Computer	Office Equipments	Furniture & Fixtures	Total
Gross Carrying Amount:						
Balance as at April 1, 2022	**-**		**0.50**	**-**	**-**	**0.50**
Additions	25.59		44.94	17.42	44.27	132.22
Less: Disposals	-		-	-	-	-
Balance as at March 31, 2023	**25.59**		**45.44**	**17.42**	**44.27**	**132.72**
Additions	10.99	13.58	43.60	48.32	26.75	143.23
Less: Disposals	-		1.09	-	-	1.09
Balance as at March 31, 2024	**36.58**	**13.58**	**87.95**	**65.74**	**71.02**	**274.86**
Accumulated Depreciation:						
Balance as at April 1, 2022	**-**		**0.04**	**-**	**-**	**0.04**
Additions	1.49		4.32	0.82	0.88	7.51
Less: Disposals	-		-	-	-	-
Balance as at March 31, 2023	**1.49**		**4.36**	**0.82**	**0.88**	**7.55**
Additions	10.71	0.08	22.29	9.97	5.27	48.31
Less: Disposals	-		0.29	-	-	0.29
Balance as at March 31, 2024	**12.20**	**0.08**	**26.36**	**10.79**	**6.15**	**55.57**
Net Carrying Amount:						
Balance as at March 31, 2023	**24.10**	**-**	**41.08**	**16.60**	**43.39**	**125.17**
Balance as at March 31, 2024	**24.38**	**13.50**	**61.59**	**54.95**	**64.87**	**219.29**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

4. Capital Work in Progress

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Plant and Machinery*	19.76	-
Total	**19.76**	**-**

* This is pertaining to Solar Power Plants which is under installation at toll plaza.

Capital Work in Progress (CWIP) ageing schedule

As at March 31, 2024	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in Progress	19.76	-	-	-	19.76
Total	**19.76**	**-**	**-**	**-**	**19.76**

As at March 31, 2023	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in Progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

5. Goodwill

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Carrying Amount		
Balance at the beginning of the year	10,144.46	10,144.46
Additions	-	-
Less: Disposals	-	-
Less: Impairment	-	-
Balance at the closing of the year	**10,144.46**	**10,144.46**

The carrying amount relates to goodwill arising on acquisition of Project SPV (NHIPPL) by the Trust and has been tested for impairment against the respective cash generating unit (CGU). The calculation uses cash flow forecast based on financial models which cover remaining future periods of respective concession periods of toll assets.

Based on a review of the future discounted cash flows of the intangible assets (Toll Collection Rights) held by the subsidiary (NHIPPL), the recoverable amount is higher than the carrying amount of the assets, and accordingly no impairment loss has been recognised in the statement of profit and loss for the year ended 31st March, 2024.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

6. Other Intangible Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Software	Toll collection rights	Total
Gross Carrying Amount:			
Balance as at April 1, 2022	**-**	**735,040.00**	**735,040.00**
Additions	2.16	284,966.66	284,968.82
Less: Disposals		-	-
Balance as at March 31, 2023	**2.16**	**1,020,006.66**	**1,020,008.82**
Additions	0.06	111,993.43	111,993.49
Less: Disposals	-	-	-
Balance as at March 31, 2024	**2.22**	**1,132,000.09**	**1,132,002.31**
Accumulated Amortization:			
Balance as at April 1, 2022	**-**	**1,055.61**	**1,055.61**
Additions	0.25	17,552.87	17,553.12
Less: Disposals	-	-	-
Balance as at March 31, 2023	**0.25**	**18,608.48**	**18,608.73**
Additions	0.68	24,722.06	24,722.74
Less: Disposals	-	-	-
Balance as at March 31, 2024	**0.93**	**43,330.54**	**43,331.47**
Net Carrying Amount			
Balance as at March 31, 2023	**1.91**	**1,001,398.18**	**1,001,400.09**
Balance as at March 31, 2024	**1.29**	**1,088,669.55**	**1,088,670.84**

Note:-

1. In FY 2021-22, the Group has acquired rights for Tolling, Operation, Maintenance and Transfer of five toll road projects for a period of 30 years basis Toll Concession agreements with NHAI, for a consideration of ₹ 7,350.40 Crore and the same have been recognised as Intangible Assets in financial statements. The Group further acquired rights during the Previous FY 2022-23 for Tolling, Operation, Maintenance and Transfer of three additional toll road projects for a period of 20 years basis Toll Concession Agreements with NHAI, for a consideration of ₹ 2,849.66 Crore and the same have been addition in the Intangible Assets in financial statements.
2. Toll Collection Rights has been amortized on the basis of Consumption based model (using Passenger Car Unit (PCU) projections) over the tenure of the Concession Agreement i.e. 30 years and 20 years basis respective concession agreements for those toll road projects.
3. During the current year, the Group has capitalised Initial Improvement Works amounting to ₹ 1,119.93 Crores to Intangible Asset (For detailed note on initial improvement works refer note no. 54).

Notes to Consolidated Financial Statements for the year ended March 31, 2024

7. Other Financial Assets: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Fixed Deposits		
Fixed Deposits with banks*	9,916.99	9,469.99
Security Deposits	3.38	1.60
Interest receivable on Debenture recovery expense fund	1.32	0.42
Interest receivable on fixed deposits	241.17	185.43
Deposit - Debenture Recovery Expense Fund for NCD's	15.00	15.00
Total	**10,177.86**	**9,672.44**

*The Fixed Deposits are kept in Debt Servicing Reserve Account (DSRA) as per borrowing agreements with lenders and as per terms of the debenture trust deed, to be utilized at the end of tenure of long term borrowings from Senior Lenders and to maintain DSRA balance for Debenture holders, hence classified as Other Financial Assets- Non Current irrespective of date of maturity.

8. Deferred Tax Assets (Net)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets arising on account of:		
- Expense disallowed as per Income Tax Act, 1961, allowable in future years	-	-
- Unabsorbed depreciation	119,086.98	72,562.41
-Provision on Initial improvement	25,179.31	-
Total(A)	**144,266.29**	**72,562.41**
Deferred Tax Liabilities arising on account of:		
- Difference between Book & Tax base related to Intangible assets & PPE	132,743.09	67,877.09
Total(B)	**132,743.09**	**67,877.09**
Net (A-B)	**11,523.20**	**4,685.32**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Reconciliation of Deferred Tax Asset/ (Liabilities)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance - Deferred Tax Asset	4,685.32	262.53
Deferred tax income/ (expense) during the period recognised in profit & loss	6,837.88	4,422.79
Closing Balance - Deferred Tax Asset	**11,523.20**	**4,685.32**

As at 31st March, 2024, based on the expected future profitability of the NHIPPL & NEPPL (SPVs), the management has recognised deferred tax assets on the unabsorbed tax depreciation carried forward only and not recognised Deferred Tax Assets on major maintainance obligation and business losses for the period, as carried forward business losses will not be available for utilisation within the time limit allowable as per the Income Tax Act based on the future projections of the profitability of the entity in accordance with provision of Ind AS 12 "Income Taxes".

9. Non Current Tax Assets (Net)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax refundable (net of provision)	22.38	12.06
Total	**22.38**	**12.06**

10. Other non current assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	565.57	-
Advance paid to NHAI for acquisition of R3 asset*	1,569,988.18	
Processing fees paid for undrawn loan	95.43	-
Total	**1,570,649.18**	**-**

*This includes amount of ₹ 15,69,988.18 Lakhs pertaining to concession fees paid to NHAI by NEPPL for the acquisition of seven projects. The appointed date for these acquisitions is with effect from 1st April, 2024, therefore the amount paid to NHAI has been classified as capital advance.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

11. Trade Receivables: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good-unsecured	385.20	350.87
Trade Receivables - Credit Impaired (unsecured)	59.60	59.60
	444.80	**410.47**
Less:- Allowances for expected credit loss	(59.60)	(59.60)
Total	**385.20**	**350.87**

The receivables are hypothecated by way of first ranking exclusive charge to secure senior lenders and non convertible debenture holders in Trust.

Trade Receivables ageing schedule as on March 31, 2024

Particulars	Outstanding for following period from due date of payment.					
	0-6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed trade receivables i) Considered good	385.20	-	-	-	-	385.20
ii) Which have significant increase in credit risk	-	-	-	-	-	-
iii) Credit impaired	-	-	59.60	-	-	59.60
Disputed trade receivables i) Considered good	-	-	-	-	-	-
ii) Which have significant increase in credit risk	-	-	-	-	-	-
iii) Credit impaired	-	-	-	-	-	-
Total	**385.20**	**-**	**59.60**	**-**	**-**	**444.80**

Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following period from due date of payment.					
	0-6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed trade receivables i) Considered good	350.87	-	-	-	-	350.87
ii) Which have significant increase in credit risk	-	-	-	-	-	-
iii) Credit impaired	-	59.60	-	-	-	59.60

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Particulars	Outstanding for following period from due date of payment.					
	0-6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Disputed trade receivables i) Considered good	-	-	-	-	-	-
ii) Which have significant increase in credit risk	-	-	-	-	-	-
iii) Credit impaired	-	-	-	-	-	-
Total	**350.87**	**59.60**	**-**	**-**	**-**	**410.47**

12. Cash and Cash Equivalents*

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
In Current Accounts	1,260.12	735.06
In Escrow Accounts	467.42	338.04
Draft in Hand	-	8.14
Cash in Hand	15.17	7.93
"Fixed Deposits (having original maturity of less than 3 months)"	6,163.15	10,000.00
Overnight mutual fund**	38,494.92	10,034.91
	46,400.78	**21,124.08**

*Cash and Cash Equivalents includes ₹ 6,209.70 Lakhs (31st March, 2023: ₹ Nil) which are unutilised balance in Project SPV - NHIPPL for initial improvement works of R1 and R2 Projects.

The balances in escrow accounts are hypothecated by way of first ranking exclusive charge to secure senior lenders and non convertible debenture holders in Trust.

** Investment in Mutual Funds includes ₹ 15,000 Lakhs raised in current year from unit issue for leap projects, to be utilised for creation of DSRA against loans raised for leap projects. Further these investments also includes ₹ 4106.06 Lakhs pertaining to one time issue related expenses unutilized as on 31st March, 2024.

13. Bank Balance Other than Cash and Cash Equivalent

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits with original maturity of more than 3 Months*	504.26	-
Interest Accrued on bank deposits	8.72	-
	512.98	**-**

*Fixed deposits amounting to ₹ 504.26 Lakhs (31st March, 2023: ₹ Nil) is lien marked in favour of Bank of Maharashtra and kept as Margin Money against the Bank Guarantee issued to NHAI for R-2 Projects by the group.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

14. Other Financial Assets: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	4.54	2.92
Interest receivable on Fixed Deposits	-	3.73
	4.54	**6.65**

15. Other Current Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses*	470.02	882.86
GST Input	523.36	642.12
Processing fees paid for undrawn loan	152.84	103.49
Advance to suppliers	1,157.23	5.59
Others	0.44	-
Interest receivable on Fixed Deposits	-	3.73
	2,303.89	**1,634.06**

*Prepaid includes Round 3 expenses of ₹ Nil during the current period and ₹ 290.72 Lakh in previous year.

16. Unit Capital

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Units	Amount	No of Units	Amount
Unit Capital*				
Opening balance	726,405,200	741,604.32	595,200,000.00	599,442.82
Add: Units issued during the year	585,795,400	727,206.41	131,205,200	143,013.67
Less: Issue expenses (refer note below)	-	(1,717.26)	-	(852.17)
Balance as at year end	**1,312,200,600**	**1,467,093.47**	**726,405,200**	**741,604.32**

*58,57,95,400 units issued at ₹ 124.14 per unit during current financial year (13,12,05,200 unit issued at ₹ 109 per unit in previous financial year).

In current year the Trust offered an issue of 58,57,95,400 units of National Highways Infra Trust ("NHIT"), for cash at a price of ₹ 124.14 per unit (the "issue price"), aggregating to ₹ 7,27,206.41 lakhs through Institutional and preferential placement in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder.

In previous year the Trust offered an issue of 13,12,05,200 units of National Highways Infra Trust ("NHIT"), for cash at a price of ₹ 109.00 per unit (the "issue price"), aggregating to ₹ 1,43,013.67 lakhs through Institutional and preferential placement in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Issue expenses of ₹ 1,717.16 lakhs (31st March, 2023: ₹ 852.17 lakhs) incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation

Rights/ preferences and restrictions attached to Unit Capital

Subject to the provisions of the InvIT Regulations, the indenture of funds, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each unitholder shall be equal and limited to the proportion of the number of the units held by that unitholder to the total number of units.

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of unit holders of the Trust.

d) Right to vote upon any matters/resolutions proposed in relation to the Trust.

e) Right to receive periodic information having a bearing on the operation or performance of the Trust in accordance with the InvIT Regulations.

f) Right to apply to the Trust to take up certain issues at meetings for unit holders approval.

g) Right to receive additional information, if any, in accordance with InvIT documents filed with Placement Memorandum.

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Not withstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compare to the other units.

Under the provisions of the InvIT Regulations, not less than 90% of the net distributable cash flows of the Trust is required to be distributed to the unitholders, and in accordance with such statutory obligation the Trust has formulated a distribution policy to declare and distribute the distributable cash flows to its unitholders atleast once every financial year as approved by the Board of Directors of the Investment Manager. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations. The distribution in proportion to the number of units held by the unitholders. The Trust declares and pays in distributions in indian rupees.

Limitation to the Liability of the unit holders

The liability of each unit holders towards the payment of any amount (that may arise in relation to the Trust including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments.

The unit holders shall not have any personal liability or obligation with respect to the Trust.

Classification of Unit Holders' Funds

Under the provisions of the InvIT Regulations, NHIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of NHIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20th October, 2016 and No. CIR/IMD/DF/127/2016 dated 29th November, 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20th October, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Details of Unitholders Holding More Than 5% Units In The Trust

Name of Unitholders	As at March 31, 2024		As at March 31, 2023	
	No of Units	%	No of Units	%
Ontario Limited	328,050,150	25.00%	181,601,300	25.00%
CPP Investment Board Private Holdings Inc.	328,050,150	25.00%	181,601,300	25.00%
SBI Balanced Advantage Trust	63,160,260	4.81%	63,160,260	8.69%
National Highways Authority of India (NHAI)	203,072,000	15.48%	115,202,600	15.86%

As per records of the Trust, including its register of unitholders and other declaration received from unitholders regarding beneficial interest, the above unitholding represent both legal and beneficial ownership of units.

The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash during the year.

Reconciliation of number of units outstanding is set out below:

(All amounts are in ₹ lakh)*

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Units	Amount	No of Units	Amount
Number of Units at the beginning of the year	726,405,200	744,165.67	595,200,000	601,152.00
Units issued during the year	585,795,400	727,206.41	131,205,200	143,013.67
Number of Units at the end of the year	1,312,200,600	1,471,372.08	726,405,200	744,165.67

*Amount related to issue expenses are not deducted in the reconciliation of number of unit capital outstanding.

17. Other equity

(All amounts are in ₹ lakh unless otherwise stated)

Reserves and Surplus	As at March 31, 2024	As at March 31, 2023
Retained Earnings		
Balance at the beginning of the year	**(2,469.86)**	**6,768.43**
Total comprehensive income for the year	29,419.57	25,689.57
Other Comprehensive Income for the year	0.13	-
Less:		
Distribution to unit holders^		
Interest	53,701.68	34,183.66
Other Income	789.60	744.20
Balance at the closing of the year	**(27,541.44)**	**(2,469.86)**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

^The distribution relates to the distributions during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the period 1st February, 2024 to 31st March, 2024 which will be paid after 31st March, 2024. The distributions by the Trust to its unit holders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations.

18. Borrowings: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Non-Convertible Debenture	150,000.00	150,000.00
Less: Unamortized Borrowing Cost	1,360.91	1,411.80
Total (A)	**148,639.09**	**148,588.20**
Note:- Other terms and conditions of NCD		
i) Interest rate	7.90% p.a payable semi annually.	
ii) Terms of repayment	Redemption of respective STRPP shall be made in equal instalments **i) STRPP A** - starting from eigth anniversary of deemed date of allotment till thirteenth anniversary. **ii) STRPP B** - starting from thirteenth anniversary of deemed date of allotment till eighteenth anniversary. **iii) STRPP C** - starting from eighteenth anniversary of deemed date of allotment till twenty fifth anniversary.	
Term Loan		
From Banks	721,927.70	145,987.43
From Financial Institution	305,000.00	-
	1,026,927.70	**145,987.43**
Less: Current Maturities of Long Term borrowings (Refer Note 21)	10,054.00	2,000.00
Less: Unamortised Borrowing Cost	2,117.85	417.30
Total	**1,014,755.85**	**143,570.13**
Grand Total C = (A+B)	**1,163,394.94**	**292,158.33**

During the year ended 31st March, 2024, the Trust has obtained the sanction of ₹ 877 Crores from the Axis bank for initial improvement works of Round 2 Assets. Further Trust has obtained sanction of ₹ 9,000 Crores from banks and financial institution for acquistion of Round 3 Assets and has taken a disbursement of ₹ 8,658 Crore during the year.

Loan from Banks include loan received from IDBI Bank which is Promoter of IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust, therefore the transactions with IDBI Bank are disclosed in Related Party Transaction.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note:- Other terms and conditions of Term Loans

i) Interest rate	Benchmark Rate plus spread applicable on each reset date for facility agreement.
ii) Terms of repayment	Repayable in unstructured quarterly instalments with last repayment date upto 31st March, 2041 & 31st March, 2042 for facility agreement of R1 & R2 Assets respectively. Repayable in unstructured quarterly instalments with last repayment date upto 31st March, 2042 for facility agreement of R3 Asset.

Security for Term Loans:

The loan is secured by,

- first pari passu charge on all immovable assets (if any), movable assets and receivables of the Trust including but not limited to,
  - (i) the interest and principal repayments on the loans advanced by the Trust to Project SPVs
  - (ii) dividends to be paid by Project SPVs to the Trust
- first pari passu Security Interest on Trust Escrow account and all sub-accounts thereunder, including DSRA.
- pledge of 100% equity shares of Project SPVs' (NHIPPL & NEPPL) in dematerialized form held by the Trust
- assignment of loans advanced by the Trust to Project SPVs (NHIPPL & NEPPL) and securities created by the Trust including the assignment of rights of substitution, termination and invocation of provision of Escrow agreement in case of default.
- negative lien on immovable assets (including current assets and cash flows) of the Project SPVs (NHIPPL & NEPPL) subject to sale of obsolete items or cars/ ambulances, old toll equipment etc., under normal business practice, subject to maximum cumulative value of ₹ 5 Crore in any financial year for R1 projects / ₹ 2 Crore per project in any financial year for R2 & R3.

  The senior lenders of the Trust have also been provided with a corporate guarantee from Project SPV (NHIPPL) to guarantee upto the secured obligations of the Trust. The funds have been raised at Trust level from unitholders and domestic lenders, and the same have been lent to Project SPV (NHIPPL) for payment of concession fee by NHIPPL to NHAI. The cashflows viz., toll collections are lying in NHIPPL. Accordingly, corporate guarantee amounting upto the secured obligations of the Trust via Corporate Guarantee Deed dated 14th March, 2022 and 8th January, 2024, valid across the tenure of the loan of the Trust i.e. up to 31st March, 2041 and 31st March, 2042 respectively, has been provided by the Project SPV (NHIPPL) to the senior lenders of the Trust.

Nature of Security for Non Convertible debentures:

The debenture holders are secured by:

a) a first ranking pari passu Security Interest over the Trust's immovable assets (if any), both present and future. The Trust does not own any immovable property at the present time. In the event, the Trust acquires any immovable property in future, the Trust shall mortgage said property within 180 (one hundred eighty) days from the date of acquisition of such immovable assets. The Debenture Trustee shall be authorised to do all acts, deeds, and enter into necessary documents, agreement, amendments and/or modifications, as may be required to give effect the same, including carrying out the due diligence as may be required by Debenture Trustee;

b) a first ranking pari passu Security Interest over the Hypothecated Assets (including Receivables), both present and future; and

c) Negative Lien Undertaking

Notes to Consolidated Financial Statements for the year ended March 31, 2024

d) corporate guarantee executed by the Project SPV (NHIPPL) in favour of the Debenture Trustee for guaranteeing the due repayment of the secured obligations in accordance with the terms of the Debenture Trust Deed.

The non convertible debenture holders of the Trust acting through debenture trustee have also been provided with a corporate guarantee from Project SPV (NHIPPL) to guarantee the repayment of amount raised from non convertible debenture holders by the Trust. The funds have been raised at Trust level from debenture holders, have been lent to Project SPV (NHIPPL) for payment of concession fee by NHIPPL to NHAI. Accordingly, corporate guarantee amounting upto the secured obligations via Corporate Guarantee Deed dated 21st October, 2022 is valid till all outstanding principal and accrued interest payable by the Trust are satisfied to the non convertible debenture holders of the Trust.

There have been no breaches in financial covenants with respect to the borrowings from either senior lenders or debenture holders.

19. Other Financial liabilities: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for capital supplies and services	80.90	-
	80.90	**-**

20. Provisions: Non Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars		As at March 31, 2024	As at March 31, 2023
Provision for employees benefits			
Gratuity (unfunded)	(Refer Note 39)	25.31	4.41
Leave Encashment (unfunded)	(Refer Note 39)	33.39	6.96
Provision for major maintenance	(Refer Note 53)	15,222.28	6,307.44
Provision for Infrastructure Upgrade	(Refer Note 54)	20,642.34	-
Total		**35,923.32**	**6,318.81**

a) Nature of provisions for major maintenance

The company is required to operate and maintain the project tollway during the entire concession period and hand over the project back to NHAI as per the maintenance standards prescribed in concession agreements. For this purpose, a regular maintenance along with periodic maintenance is required to be performed. Normally, periodic maintenance includes resurface of pavements, repairs of structures and other equipment and maintenance of service roads. As per industry practice, the periodic maintenance is expected to occur once in five to seven years. The provisions for MMR as per industry practice has been made based on the first cycle of overlay expected to occur in five to seven years and not based on the total MMR cost over entire concession period. The discounting rate used for arriving at the present value for MMR provisions is government bond rate of 30 years for projects acquired in first phase and 20 years for projects acquired in second phase. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly, on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expense is reviewed and is provided for in the financial statements in each reporting

Notes to Consolidated Financial Statements for the year ended March 31, 2024

period. Considering that the expense to be incurred is depended on various factors including the usage, wear and tear of the toll road, bituminous overlay, etc., it is not possible to estimate the exact timing and the quantum of the cashflow.

Details of movement in Provisions

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	6,307.44	403.29
Add: Accretion during the year	-	-
Provision for Major Maintenance Obligation	8,444.05	5,879.20
Unwinding finance cost on major maintenance provision	470.79	24.95
Less: Utilized during the year	-	-
Closing Balance	**15,222.28**	**6,307.44**

21. Borrowings: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Maturities of Long Term borrowings (Refer Note No.18)	10,054.00	2,000.00
Total	**10,054.00**	**2,000.00**

22. Trade Payables: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding, dues of micro and small enterprises	275.99	137.23
Total outstanding, dues of creditors other than micro and small enterprises (Outstanding for less than 12 months from the due date of payment)	4,479.00	3,871.17
Total	**4,754.99**	**4,008.40**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note:-

Details of dues to micro and small enterprises as per MSMED Act, 2006.

The group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	275.99	137.23
b) Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the group.		

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Trade Payable aging schedule as on March 31, 2024

Particulars	Not due*	Outstanding for following period from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	275.99	-	-	-	275.99
ii) Others	3,884.28	534.02	60.70	-	-	4,479.00
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

* Trade Payables include unbilled payables amounting to ₹ 3884.28 Lakhs.

Trade Payable aging schedule as on March 31, 2023

Particulars	Not due*	Outstanding for following period from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	137.23	-	-	-	137.23
ii) Others	2,468.10	1,403.07	-	-	-	3,871.17
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

* Trade Payables include unbilled payables amounting to ₹ 2468.10 Lakhs.

23. Other Financial Liabilities: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on NCD	5,162.05	5,129.59
Double toll Fee payable to NHAI	10.19	151.17
Security Deposit	4.19	4.19
Employees payable	2.18	-
Payable to NHIMPL	41.69	-
Creditors for capital supplies and services	2,004.23	-
Total	**7,224.53**	**5,284.95**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

24. Provisions: Current

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Leave Encashment (unfunded)	2.01	0.55
Gratuity (unfunded)	0.07	0.01
Provision for Infrastructure Upgrade	79,402.58	-
Total	**79,404.66**	**0.56**

25. Current Tax Liabilities (Net)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax	188.74	8.98
Less: Advance Tax & TDS Receivable	(7.08)	
Total	**181.66**	**8.98**

Reconciliation of Current Tax Liabilities

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	8.98	161.77
Add: Income Tax Payable for the year	886.30	473.89
Less: Income taxes paid during the year (including earlier year taxes)	(713.62)	(626.68)
Closing Balance	**181.66**	**8.98**

26. Other Current Liabilities

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	462.78	226.85
Unearned Revenue	-	2.12
Advance received	0.45	5.00
Employees payable	-	6.64
Total	**463.23**	**240.61**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

27. Revenue from operations

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Services		
Revenue from Toll Collection	94,390.77	68,708.93
Other Operative Revenue		
Interest on delay in Toll Remittance	-	8.27
Total	**94,390.77**	**68,717.20**

28. Interest income

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On fixed deposits with banks	871.71	373.43
Total	**871.71**	**373.43**

29. Profit on sale of investments

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on redemption of Mutual Funds	2,141.16	671.17
Total	**2,141.16**	**671.17**

30. Other Income

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Other non operating income		
Liabilities no longer required written back	32.06	-
Other Income	27.47	326.11
Total	**59.53**	**326.11**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

31. Operating Expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Operation and Maintenance Expenses	5,221.55	3,145.85
Major Maintenance Obligation	8,444.05	5,879.20
Total	**13,665.60**	**9,025.05**

32. Operating Expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	961.98	222.98
Contribution to provident and other funds (Refer note 39(i))	65.87	15.27
Gratuity Expenses (Refer note 39(ii)A)	21.09	4.42
Leave Encashment Expense (Refer note 39(ii)B)	31.34	7.51
Staff Welfare Expenses	43.06	38.84
Employee Insurance Policy	29.23	-
Relocation and Transfer Expenses	4.03	-
Total	**1,156.60**	**289.01**

33. Finance Cost

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Long term borrowings	13,059.49	11,244.91
Interest on Debentures	11,882.48	5,129.59
Unwinding finance cost on major maintenance provision	470.79	24.95
Unwinding interest on infrastructure upgrade	2,396.83	-
Other Finance Charges	213.58	221.87
Total	**28,023.17**	**16,621.32**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

34. Depreciation and Amortization Expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, Plant and Equipment	48.30	7.51
Amortization on Intangible Assets	24,722.74	17,553.12
Total	**24,771.04**	**17,560.63**

35. Audit Fees

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit fees	8.14	4.53
Limited review fees	8.82	2.26
Tax audit fees	1.53	0.94
Total	**18.49**	**7.73**
Certification and other charges	1.72	0.93
Total	**1.72**	**0.93**

Further an amount of ₹ 3 lakhs (31st March, 2023: ₹ 6 lakh) paid to auditor as certification charges has been booked as part of one time expenses in the Unit Capital. (Refer note no 16)

36. Other Expenses

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement expenses	19.81	35.75
Legal and Professional fees	1,262.92	1,542.22
Community Engagement Program	39.84	-
Director's sitting fees	18.88	15.10
Travelling and conveyance	81.43	19.80
Training and Seminar Expenses	41.42	7.21
Guest House Expenses	16.71	
Telephone and internet charges	41.29	6.58
Power and fuel	253.79	58.78
Environment, health and safety expenses	64.22	13.06
Fee, subscription & taxes	380.72	43.42

Notes to Consolidated Financial Statements for the year ended March 31, 2024

36. Other Expenses (Cont.)

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Recruitment expenses	2.25	
Bank charges	2.12	1.53
Data Management Expenses	1.50	3.00
Provision for expected credit loss	-	59.60
Vehicle hire charges	186.01	63.58
Repair and maintenance expenses	38.71	14.71
Preliminary Expenses written off	2.55	-
Bad Debts Written Off	-	9.90
Directors Strategy Meet Expenses	16.41	-
Miscellaneous expenses	99.04	30.03
Total	**2,569.62**	**1,924.27**

37. Tax Expense

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	48.30	7.51
Provision for Taxation–Earlier years	24,722.74	17,553.12
	883.78	**473.90**
Deferred tax expense/(credit)	(6,837.88)	(4,422.79)
	(5,954.10)	**(3,948.89)**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting Profit before Income Taxes	23,465.47	21,740.68
Tax at India's statutory income tax rate for SPVs (25.17%)	(18,569.40)	(14,086.70)
Tax at India's statutory income tax rate for Business Trusts - Maximum Marginal Rate (42.744%)	41,681.52	33,215.05
Increase/ (reduction) in taxes on account of:		
Impact of deferred tax on reversible allowance/ disallowance of business expense and income, as per Indian Income Tax Act, 1961	11,920.25	9,663.91
Impact of exemption u/s 10(23FC) of the Indian Income Tax Act, 1961 available to the Trust	(40,986.47)	(32,741.15)
Income tax expense reported in the statement of profit and loss	**(5,954.10)**	**(3,948.89)**

38. Earning per Unit

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and diluted EPU		
Net Profit/ loss available for unitholders (in ₹ lakh)	29,419.70	25,689.57
Weighted average number of units for EPU computation	753,614,275.96	656,668,737.53
EPU- Basic and diluted	**3.90**	**3.91**

Basic EPU amounts are calculated by dividing the profit for the period/ year attributable to Unit holders by the weighted average number of units outstanding during the period/ year. Diluted EPU amounts are calculated by dividing the profit/(loss) attributable to unit holders by the weighted average number of units outstanding during the period/ year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

39. Disclosure pursuant to Ind As 19 " Employee benefits"

i. Defined contribution plan

The group has provident fund which is the defined contribution plan. The group is required to contribute a specified percentage of payroll costs to the recognised provident fund to fund the benefits. The only obligation of the group with respect to these plans is to make the specified contributions.

An amount of ₹ 65.87 lakhs (31st March, 2023 : ₹ 15.27 lakhs being contribution made to recognised provident fund is recognised as expense and included under Employee benefits expense (refer Note 32) in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

ii. Defined benefit plans:

A. Disclosure of gratuity

a) Features of its defined benefit plans:

The group has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 ('the Gratuity Act'). Under the Act, employee who has completed five years of service is entitled to specific benefit.The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Act.

The key features are as under:

Plan Features

i	Benefit offered	15/ 26 × salary × duration of service
ii	Salary Definition	Basic salary including dearness allowance (if any)
iii	Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
iv	Vesting conditions	5 years of continuous service (not applicable in case of death/disability)
v	Benefit eligibility	Upon death or resignation / withdrawal or retirement
vi	Retirement age	60 Years (or) end of concession period, whichever is earlier

The amounts recognised in Balance Sheet are as follows:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Gratuity	0.07	25.31	0.01	4.41
Leave encashment	2.01	33.39	0.55	6.96
Total	**2.08**	**58.70**	**0.56**	**11.37**

(i) Amount recognised in the statement of profit and loss is as under:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Current service cost	20.77	4.42
Interest cost	0.33	-
Net impact on profit (before tax)	21.10	4.42
Actuarial loss/(gain) recognized during the year	(0.13)	-
Amount recognized in total comprehensive income	**20.97**	**4.42**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(ii) Change in the present value of obligation:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation as at the beginning of the year	4.42	-
Current service cost	20.77	4.42
Interest cost	0.33	-
Benefits paid		
Actuarial loss/(gain)	(0.13)	-
Present value of defined benefit obligation as at the end of the year	**25.39**	**4.42**

(iii) Reconciliation of present value of defined benefit obligation and the fair value of assets:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligation as at the end of the year	25.39	4.42
Fair value of plan assets as at the end of the period funded status	-	-
Unfunded net liability recognized in balance sheet	25.39	4.42

(iv) Breakup of actuarial (gain)/ loss:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	-	-
Actuarial (gain)/loss from experience adjustment	(0.13)	
Total actuarial (gain)/loss	**(0.13)**	**-**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(v) Actuarial assumptions

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Discount rate	7.38%	7.38%
Rate of increase in compensation levels	7.00%	7.00%
Retirement age (years)	60	60

Notes:

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(vi) Expected expense for the next annual reporting period

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Service cost	32.14	12.16
Interest cost	1.83	0.33
Actuarial loss/(gain)	-	-
Expected Expense for the next annual reporting period	**33.97**	**12.49**

(vii) Sensitivity analysis for gratuity liability

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Impact of change in discount rate		
Present value of obligation at the end of the year	25.39	4.42
- Impact due to increase of 0.5 %	(1.74)	(0.33)
- Impact due to decrease of 0.5 %	1.91	0.37
Impact of change in salary increase		
Present value of obligation at the end of the year	25.39	4.42

Description	As at March 31, 2024	As at March 31, 2023
- Impact due to increase of 0.5 %	1.91	0.36
- Impact due to decrease of 0.5 %	(1.75)	(0.33)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

(viii) Maturity profile of defined benefit obligation

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Within next 12 months	0.07	0.01
Between 1-5 years	3.28	0.11
5 to 6 years	0.58	0.23
Beyond 6 years	21.44	4.07

B. Leave encashment

Amount recognized in the statement of profit and loss is as under:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Current service cost	29.88	7.51
Interest cost	0.55	-
Actuarial loss/(gain) recognized during the year	0.91	-
Amount recognized in the statement of profit and loss	**31.34**	**7.51**

40. Statement of Related Parties

A. List of Related Parties as per requirement of IND AS 24 – "Related Party Disclosures"

Enterprises where Control / significant influence exists	**National Highways Infra Projects Private Limited ('NHIPPL') (Subsidiary Company)**
	NHIT Eastern Projects Private Limited ('NEPPL') (Subsidiary Company)

B. List of additional related parties as per Regulation 2(1)(zv) of the SEBI InvIT Regulations

Parties to the Trust

National Highways Infra Investment Managers Private Limited (NHIIMPL) - Investment Manager (IM) of the Trust
IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust
National Highways Authority of India (NHAI)- Sponsor
National Highways InvIT Project Managers Private Limited (NHIPMPL)- Project Manager

Promoters of the Parties to the Trust specified above

Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHIIMPL
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL
Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHAI
National Highways Authority of India (NHAI)- Promoter of NHIPMPL

Directors of the parties to the Trust specified above

Directors of NHIIMP

Mr. Suresh Goyal
Mr. Shailendra Narain Roy
Mr. Mahavir Prasad Sharma
Mr. Pradeep Singh Kharola
Mr. N.R.V.V.M.K. Rajendra Kumar
Mr. Sumit Bose
Mr. Bruce Cane (Ceased to be Director w.e.f. 07.11.2023)
Mr. Amit Kumar Ghosh (Ceased to be Director w.e.f. 15.11.2023)
Ms. Kavita Saha (Ceased to be Director w.e.f. 08.11.2023)
Mr. Pushkar Vijay Kulkarni (Appointed as Director w.e.f. 08.11.2023)
Mr. Debapratim Hajara (Appointed as Director w.e.f. 08.11.2023)
Mr. Vinay Kumar (Appointed as Nominee Director w.e.f. 27.03.2024)
Ms. Usha Monari (Appointed as Woman Independent Director w.e.f. 16.04.2024)

Directors of NHIPPL

Mr. Suresh Goyal
Mr. Shailendra Narain Roy
Mr. Mahavir Prasad Sharma
Mr. Muralidhara Rao Bugatha
Mr. N.R.V.V.M.K. Rajendra Kumar

Directors of NEPPL

Mr. Suresh Goyal
Mr. Mathew George
Mr. Mahavir Prasad Sharma (Appointed as Director w.e.f. 15.04.2024)
Mr. Shailendra Narain Roy (Appointed as Director w.e.f. 15.04.2024)

Directors of ITSL

Mr. Pradeep Kumar Jain
Ms. Jayashree Vijay Ranade
Mr. Pradeep Kumar Malhotra
Ms. Baljinder Kaur Mandal
Ms. Jayakumar Subramoniapillai

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Directors of NHIPMPL
Mr. Akhil Khare
Mr. Ashish Kumar Singh

C. Transactions with Related Parties during the year

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
National Highways Infra Investment Managers Private Limited (NHIIMPL)		
Investment Manager Fee	1,800.00	1,491.17
Advance Investment Manager Fee Paid	4.93	86.06
Expense incurred by NHIIMPL on behalf of NHIT	15.35	39.79
Expenses incurred on behalf of NEPPL by NHIIMPL	25.00	-
Other Support Services to NHIPPL	22.96	3.12
Expenses incurred by NHIPPL for NHIIMPL Behalf	0.65	-
Reimbursement of Expenses	-	0.07
National Highways Authority of India (NHAI)		
Issue of units of Trust to NHAI	109,081.07	21,366.83
Interest and other income distribution	8,641.92	5,589.34
Payment related to aquisition of intangible assets	-	284,966.66
O & M Expenses	96.03	1,152.32
Double toll fees	528.00	679.17
Reimbursement for Initial Improvement Works	3,146.59	-
Independent engineers fees	228.56	345.38
IDBI Trusteeship Services Limited (ITSL)		
Payment of Trustee Fee	9.60	12.73
Other fees related to Round 1 & 2 Assets	1.50	3.54
Other Fees related to Round 3 Assets ("Project Leap")	17.58	-
IDBI Bank Limited		
Secured Loan given to NHIT	10,000.00	-
Interest Expense incurred on Loan given to NHIT	4.38	-
Repayment of Principal Amount	0.00	-
Loan Processing Fees Paid to them	41.30	-

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Description	As at March 31, 2024	As at March 31, 2023
National Highways InVIT Project Managers Private Limited (NHIPMPL)		
Project Manager Fees	1,168.20	991.20

D. Summary of Transactions with Key Managerial Personnel (KMP)

(All amounts are in ₹ lakh unless otherwise stated)

Description		As at March 31, 2024	As at March 31, 2023
Mr. Suresh Goyal	- Reimbursement of Expenses	0.79	0.39
Mr. M.P. Sharma	- Director's Sitting Fees	8.00	6.40
Mr. Shailendra Narain Roy	- Director's Sitting Fees	8.00	6.40
Mrs. Ajanta Sen	- Short Term Employment Benefits	-	1.84
Mr. Arun Kumar Jha	- Short Term Employment Benefits	69.35	-
Mr. Arun Kumar Jha	- Reimbursement of Expenses	3.31	-
Mr. Bhanu Sharma (CS)	- Short Term Employment Benefits	7.49	3.91
Mr. Bhanu Sharma (CS)	- Reimbursement of Expenses	0.47	-
Ms. Aashima Agarwal (CS)	- Short Term Employment Benefits	6.28	-
Ms. Aashima Agarwal (CS)	- Reimbursement of Expenses	0.58	-

E. Closing Balances with Related Parties

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
National Highways Authority of India (NHAI)		
Issue of units of Trust to NHAI	227,003.91	117,922.83
O & M Expenses payable	717.98	880.35
Double toll fees payable	10.19	151.17
Independent Engineers Fees payable	451.45	276.03
Amount Payable for Initial Improvement Works	829.65	-

Description	As at March 31, 2024	As at March 31, 2023
National Highways Infra Investment Managers Private Limited (NHIIMPL)		
Advance IM Fee	4.93	-
IM Fee Payable	-	1.89
Payable by NHIPPL for Other Support Services	16.69	-
Expenses Payable	-	0.48
Amount Payable by NEPPL for expenses incurred on their behalf by NHIIMPL	25.00	-
IDBI Trusteeship Services Limited		
Trustee Fee Payable	1.73	1.73
Other Fees related to Round 3 Assets ("Project Leap")	2.68	-
IDBI Bank Limited		
Outstanding Secured Loan Amount	9,999.99	-
National Highways InVIT Project Managers Private Limited (NHIPMPL)		
Project Manager Fees Payable	540.00	762.50

41. Disclosure as per Ind AS 115, "Revenue from contracts with customers"

A. Disaggregation of revenue

Revenue recognised mainly comprises of revenue from toll collections, claims with NHAI, contract revenue. Set out below is the disaggregation of the Group's revenue from contracts with customers:

(All amounts are in ₹ lakh unless otherwise stated)

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating revenue		
(a) Toll income (User Fee) from Highways	94,390.77	68,708.93
(b) Interest on delay in Toll Remittance	-	8.27
Total revenue	**94,390.77**	**68,717.20**

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing:

S.No.	Types of Products by Nature	Types of Services by Timing	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Services	At the point in time	94,390.77	68,717.20

B. Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
	Current	Current
Contract assets		
Trade receivables:		
- Receivables under service concession arrangements	385.20	350.87
Total	**385.20**	**350.87**

C. Performance Obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI and approved by management and payment is generally due at the time of providing service.

Contract revenue

The performance obligation under service concession agreements ('SCA') is due on completion of work as per terms of SCA.

D. Disclosure as per Appendix - C & D of Ind AS 115 - " Service Concession Arrangements"

All the below service concession arrangement have been accounted under intangible asset model

Till year ended 31st March, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession since the appointed date (in days)
National Highways Infra Projects Private Limited	16th December 2021	15th December 2051	837
National Highways Infra Projects Private Limited	29th October 2022	28th October 2042	520

Notes to Consolidated Financial Statements for the year ended March 31, 2024

i). The above TOT projects shall have following rights/ obligations in accordance with the Concession Agreement entered into with the respective Government Authorities

a. Right to use the Specified Assets

b. Obligations to provide or rights to except provision of services

c. Obligations to deliver or rights to receive at the end of concession

42. Capital Management

For the purpose of the Group's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Group.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment / income distribution to unit holders (subject to the provisions of SEBI InvIT Regulations which require distribution of at least 90% of the net distributable cash flows of the Group to unit holders), return capital to unit holders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum.

(All amounts are in ₹ lakh unless otherwise stated)

Description	As at March 31, 2024	As at March 31, 2023
Net Debt Components:		
Long Term Borrowings (Non-Current portion)	1,163,394.94	292,158.33
Current Maturities of Long-Term Borrowings	10,054.00	2,000.00
Trade Payables	4,754.99	4,008.40
Other financial liabilities	7,305.43	5,284.95
Less: Cash and Cash Equivalents	(46,400.78)	(21,124.08)
Less: Other Financial Assets comprising DSRA FDs	(10,687.46)	(9,670.84)
Net Debt (i)	**1,128,421.12**	**272,656.76**
Capital Components:		
Unit Capital	1,467,093.47	741,604.32
Initial Settlement Amount	0.10	0.10
Other Equity	(27,541.44)	(2,469.86)
Total Capital (ii)	**1,439,552.13**	**739,134.56**
Capital and Debt [(iii) = (i) + (ii)]	**2,567,973.25**	**1,011,791.32**
Gearing Ratio (i)/(iii)	**43.94%**	**26.95%**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Financial Covenants:

In order to achieve this overall objective, the Board of Directors of Investment Manager, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

43. Financial Risk Management Objectives and Policies

The Group is in the process of formulation of its risk management policies with an objective of identification and analysis of risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies shall be reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors of Investment Manager has overall responsibility for the establishment and oversight of the Group's risk management framework.

In performing its operating, investing and financing activities, the Group is exposed to the Credit risk, Liquidity risk and Market risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, Receivable and Payables and Investments measured at FVTPL.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2024 and 31st March, 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2024 and 31st March, 2023.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business primarily in Indian Rupees only, and hence, the sensitivity of profit and loss of the Group to a possible change in foreign exchange rates is non-existent as on 31st March, 2024 and 31st March, 2023.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to risk of changes in market interest rates generally relates primarily to long-term debt obligations with floating interest rates.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

The following table provides a break-up of the group fixed and floating rate borrowings:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	At as March 31, 2024	At as March 31, 2023
Floating Rate Borrowings	1,026,927.70	145,987.43

Sensitivity analysis based on average outstanding Debt:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	At as March 31, 2024	At as March 31, 2023
Increase or decrease in interest rate by 25 basis points	2,567.32	364.97

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. With respect to credit risk arising from other financial assets of the Group, which comprise Balances with banks, Trade Receivables, Loans and Advances and Investments. The Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instrument.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 57,481.35 Lakh and ₹ 31,154.04 Lakh as at 31st March, 2024 and 31st March, 2023 respectively, being the total carrying value of Trade receivables, Investments, Balances with bank, bank deposits and other financial assets.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The Group is exposed to liquidity risk due to bank borrowings and trade and other payables.

The Group measures risk by forecasting cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group ensures that it has sufficient funds to meet expected operational expenses, servicing of financial obligations.

In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

As at March 31, 2024	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	1,024,809.85	10,054.00	26,862.00	987,893.85
Non-Convertible Debentures	148,639.09	-	-	148,639.09
Trade Payables	4,754.99	4,754.99	-	-
Other Financial Liabilities	7,305.43	7,305.43	-	-
Total	**1,185,509.36**	**22,114.42**	**26,862.00**	**1,136,532.94**

As at March 31, 2023	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	145,570.13	2,000.00	6,000.00	137,570.13
Non-Convertible Debentures	148,588.20	-	-	148,588.20
Trade Payables	4,008.40	4,008.40	-	-
Other Financial Liabilities	5,284.95	5,284.95	-	-
Total	**303,451.67**	**11,293.36**	**6,000.00**	**286,158.33**

44. Disclosure pursuant to IND AS 36 "Impairment of Assets"

Based on impairment testing done which involves review of the future discounted cash flows of the subsidiary, the recoverable amount is higher than the carrying amount of the investment made in the subsidiary and accordingly, no provision for impairment is required to be recognised in the books as on the reporting date. In case of goodwill based on impairment testing recoverable amount is higher then the carrying value as on the reporting date, hence no provision for impairment is required to be recognised in the books as on reporting date.

45. Financial Instrument by Category

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortized Cost	At FTVPL	At FVOCI	Amortized Cost	At FTVPL	At FVOCI
Assets:						
Trade Receivables	385.20	-	-	350.87	-	-
Cash & Cash Equivalents	46,400.78	-	-	21,124.08	-	-
Bank Balances Other than Cash & Cash Equivalents	512.98	-	-	-	-	-
Other Financial Assets	10,182.40	-	-	9,679.09	-	-
Total	**57,481.35**	**-**	**-**	**31,154.04**	**-**	**-**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortized Cost	At FTVPL	At FVOCI	Amortized Cost	At FTVPL	At FVOCI
Liabilities:						
Borrowings	1,173,448.94	-	-	294,158.33	-	-
Trade Payables	4,754.99	-	-	4,008.40	-	-
Other Financial Liabilities	7,305.43	-	-	5,284.95	-	-
Total	**1,185,509.36**	**-**	**-**	**303,451.67**	**-**	**-**

Defaults and breaches

There are no defaults during the year with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings.

There are no breaches during the year which permitted lender to demand accelerated payment.

46. Fair Values of Assets and Liabilities

The carrying amount of all financial assets and liabilities appearing in the financial statements is reasonable approximation of fair values. Fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20th October, 2016 as a part of these financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value

Fair Value Hierarchy

The Group uses the following hierarchy for fair value measurement of the Group's financial assets and liabilities:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial Assets at Amortized Cost:				
Trade Receivables	385.20	350.87	385.20	350.87
Cash and Cash Equivalents	46,400.78	21,124.08	46,400.78	21,124.08
Bank Balances Other than Cash & Cash Equivalents	512.98	-	512.98	-
Loans & Advances	-	-	-	-
Other Financial Assets	**10,182.40**	**9,679.09**	**10,182.40**	**9,679.09**
Total	57,481.35	31,154.04	57,481.35	31,154.04
Financial Liabilities at Amortized Cost:				
Borrowings*	1,173,448.94	294,158.33	1,173,448.94	294,158.33
Trade Payables	4,754.99	4,008.40	4,754.99	4,008.40
Other Financial Liabilities	**7,305.43**	**5,284.95**	**7,305.43**	**5,284.95**
Total	**1,185,509.36**	**303,451.67**	**1,185,509.36**	**303,451.67**

The carrying value of financial assets and other financial liabilities measured at amortised cost are considered to be same as their fair values largely due to their short term nature.

*The carrying value of borrowings approximates the fair value as the instruments are at prevailing market rate.

47. Statement of Contingent Liabilities/Contingent Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities		
Stamp Duty on Concession agreement on Belgaum Kagal Project (refer note (a) below)	6,990.00	-
Corporate Guarantee issued in favour of Senior Lenders & Debenture Trsutee of the Trust (refer note (c))	437,700.00	350,000.00
Contingent Assets		
Stamp Duty on Concession agreement on Belgaum Kagal Project (refer note (b) below)	6,990.00	-

a) Stamp Duty on Concession agreement on Belgaum Kagal Project - The group has received notice from Office of Deputy Registrar of Stamps, Government of Karnataka. As per this notice additional stamp duty of ₹ 69.90 crore has been imposed on the group for the concession agreement entered into for Belgaum-Kagal road.

Stamp legislation in certain states (including Karnataka) also specifies that copy of the main document in respect of any property, or any business within the state also needs to be stamped with original amount of stamp duty, if the original document has not been stamped with full amount of the stamp duty applicable for place of business.

As regards to the applicability of stamp duty on Concession Agreement, it may please be noted that there is no specific entry in respect of the concession agreement. Such agreements are stamped under the residuary category of the agreements and a nominal amount was paid on such agreements. We are given to understand that the Karnataka State Govt. has given instructions to procure copies of licence /Agreement of toll collecting agencies in respect of roads passing through state of Karnataka. We have further been issued a notice for recovery of shortfall in stamp duty.

Various judicial pronouncements by various high courts have divergent views and the issue is debatable and there is no clarity on the same.

The group is contesting this imposition of deficit stamp duty on concession agreement notice with Government of Karnataka. We are also in receipt of copies of letters sent by NHAI to the Karnataka State Govt clarifying the issue. The group is in the process of filing injuction with the Dharwad bench of Karnataka High Court.

b) Contingent Assets

Stamp Duty on Concession agreement on Belgaum Kagal Project - In the event of the stamp duty becoming payable, it shall be reimbursed by NHAI as confirmed by them vide letter No. NHAI/F&A/InVIT/2021-22/CLFN_GST&SD(E-106870) dated 28th September, 2021. Since no provision has been recognised in the books with respect to stamp duty, the reimbursement has not been recognised as an asset considering the guidance in Ind AS 37.

c) Corporate Guarantees

31st March, 2024	₹ 4,37,700.00 Lakh
31st March, 2023	₹ 3,50,000.00 Lakh

The Project SPV company (NHIPPL) has issued Corporate Guarantees amounting to ₹ 2,000 Crore or secured obligations on 14th March, 2022 and ₹ 877 Crore or secured obligations on 8th January, 2024 in favour of Senior Lenders, ₹ 1,500 Crore or secured obligations on 21st October, 2022 in favour of Debenture Trustee of the Trust for the benefit of NCD holder.

The group during previous year has carried out a fair valuation of Corporate Guarntees referred above from an independent external valuer. Basis such valuation report and management estimate, fair value of corporate gurantee is estimated to be Nil.

48. Financial Information of Investment Manager

The summary financials of Investment Manager are not disclosed alongwith these financials as its networth is not materially eroded.

49. The Code on Social Security. 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

50. Withholding Tax liability for interest accrued but not due on non convertible debentures

The Trust has issued publicly listed non convertible debentures ("NCDs") with interest payable on semi-annual basis. Interest on these NCDs was due for payment on 25th April, 2024 and for the purpose of payment of interest, record date was 10th April, 2024 and debenture-holders existing as on 10th April, 2024 are entitled to the coupon interest. Trust has recorded liability of interest accrued till 31st March, 2024 and there is no credit in favour of any payee at the time of creating such provision as entitled payee will be identifiable as on record date i.e., on 10th April, 2024.

As on the year end March 2024, there is uncertainty with respect to the ultimate recipient of interest income, and such uncertainty would only become clear on the record date i.e., 10th April 2024 when the obligation of payment of interest by NHIT arises and therefore Trust has not withheld any taxes at the time of creating these provisions.

51. Distribution made

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the year ended March 31, 2024^	For the year ended March 31, 2023
Interest	42,240.46	29,985.39
Return of capital	-	-
Dividend	-	-
Other income of the Trust	602.92	240.39
Total	**42,843.38**	**30,225.78**

^The distribution relates to the distributions during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the period 1st February, 2024 to 31st March, 2024 which will be paid after 31st March, 2024. The distributions by the Trust to its unit holders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations.

52. Details of Project Management Fees and Investment Management Fees

Details of fees paid to project manager and investment manager as required pursuant to SEBI Circular No. CIR/MD/DF/127/2016, dated 29th November, 2016 are as under:

Project Management Fees:

The project manager National Highways InVIT Project Managers Private Limited ('NHIPMPL') for NHIPPL (R1 & R2 assets) and is entitled to fixed fees based on the Project Implementation and Management Agreement (PIMA) signed by both the parties dated 30th March 2021 as amended on 6th March, 2024. NHIPMPL is also Project Manager for NEPPL (R3 Assets) w.e.f 1st April, 2024 as per deed of adherence signed on 7th March, 2024.

Investment Management Fees:

i) The Investment Manager's fee as per agreement dated 21st October, 2020 will initially be ₹ 1,100 Lakh (Rupees Eleven Hundred Lakhs) per annum.

ii) The Investment Management Agreement is revised and the fee with effect from 1st April, 2023 has been agreed at ₹ 1,800 Lakhs (Rupees Eighteen hundred lakhs) for the Financial Year 2023-24.

iii) The management fee set out in paragraph (ii) above shall be subject to escalation on an annual basis at the rate of 10% of the management fee for the previous year.

iv) Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee and shall be payable by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL).

Payment of frequency: Payment of management fee shall be made by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL) in advance on a quarterly basis at the beginning of each quarter of a financial year.

53. Provision for Major Maintenance

The group has a contractual obligation to maintain the performance standards of the Project Highways in respect of riding quality and allied measures as per the performance parameters stipulated under the respective Concession Agreements. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out using Discounted Cash Flows method with the discount rate taken as the risk-free interest rate i.e. the discounting rate used for arriving at the present value for MMR provisions is government bond rate of 30 years for projects acquired in first phase and 20 years for projects acquired in second phase. The group has recognised finance cost on major maintenance provision for the year ended 31st March, 2024 amounting to ₹ 470.79 Lakhs (P.Y. ₹ 24.95 lakhs). The provision for Major Maintenance Obligation as at 31st March, 2024 has been recognised in the financial statements at ₹ 8,444.05 Lakhs (P.Y. ₹ 6,307.44 Lakhs).

54. Initial Improvement Works

As per the concession agreement between NHIPPL and NHAI, the concessionaire is obligated to undertake initial improvement works as specified in Schedule B including certain improvement works required initially and then to extend required repairs maintenance, regular upkeep of the Project Highway. These obligations will require outflow of economic resources and will be fulfilled over the period of time. Therefore, a provision shall be recognised and measured as per Ind AS 37 for contractual obligations toward the Fair Value of future upgrade services and correspondingly the group shall capitalize the present value of provision for upgrade services to the intangible asset at the time of acquisition.

At the time of acquisition of SPV there was uncertainty with respect to the cost estimates for the initial improvement work to be done and the group was in discussion with NHAI for de-scoping of certain work. Further, as per Ind as 38, an intangible asset can be recognised if, and only, if the cost of the asset can be measured reliably.

Since the cost for initial improvement work was not ascertainable until 1st December, 2023 (under Ind AS 38) because of discussion around de-scoping of various works, no reliable estimates could be made for the Fair Value of the said scope. This was further substantiated with the technical note prepared by the technical department basis their discussion and meetings with NHAI and various vendors. Considering that the management has now ascertained the costs based on contracts awarded and the sign off received from the PMC, (estimated as required under Ind AS 38) has now , based on discussions with its technical consultants, capitalised the initial improvement works amounting to ₹ 1,21,227.32 Lakhs (Undiscounted Value) on 1st December, 2023.

Further the group has also recognised provision for initial improvement works as per Ind AS 37 amounting to ₹ 1,11,993.43 Lakhs (Present Value) on 1st December, 2023 with corresponding impact in Statement of Profit and Loss amounting to ₹ 1,124.63 Lakhs and ₹ 2,396.83 Lakhs on account of amortization of initial improvement work and unwinding of interest on provision of initial improvement respectively.

Actual initial improvement work done up to March 2024 is ₹ 14,346.87 Lakhs.

55. Statement of Commitments

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	At as March 31, 2024	At as March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	49,698.13	-
Total	**49,698.13**	**-**

56. Segment Reporting

The activities of the Group mainly include investing in infrastructure assets primarily in the SPVs operating in the road sector to generate cash flows for distribution to unit holders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment. Further, the entire operations of the Group are only in India and hence, disclosure of secondary/ geographical segment information does not arise. Accordingly, requirement of providing disclosures under Ind AS 108 does not arise.

57. Salient aspects of the Tolling Concession Arrangement

The Project SPV (NHIPPL) has entered into five concession agreements with National Highway Authority of India ("NHAI") on 30th March, 2021 for Tolling, Management, Maintenance and Transfer of five toll road projects for a period of 30 years from the Appointed Date. The Appointed Date has commenced on 16th December, 2021. The toll roads covered under the concession agreement as follows:

- Palanpur/ Khemana – Abu Road Project (from km 601+000 to km 646+000) of NH-27, connecting the states of Gujarat and Rajasthan
- Abu Road- Swaroopganj Project (from km 646+000 to km 677+000) of NH-27 , in the state of Rajasthan
- Maharashtra Karnataka Border (Kagal) – Belgaum Project (from km 646+000 to km 677+000) of NH-48, connecting the states of Karnataka and Maharashtra
- Chitorgarh- Kota & Chittorgarh Project (from km 891+929 to km 1052+429) of NH-27 , in the state of Rajasthan
- Kothakota Bypass- Kurnool Highway Project (from km 135+469 to km 211+000) of NH-44 , connecting the states of Telangana and Andhra Pradesh

In previous financial year, Project SPV (NHIPPL) entered into three new concession agreements with National Highway Authority of India ("NHAI") on 26th September, 2022 for Tolling, Management, Maintenance and Transfer of three toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 29th October, 2022. The toll roads covered under the concession agreement as follows:

- Agra bypass Section (from km 0.000 to km 32.800) of NH-19 in the state of Uttar Pradesh
- Borkhedi-Wadner-Deodhari-Kelapur Section (from km 36.600 to km 175.000) of NH-44 in the state of Maharashtra
- Shivpuri – Jhansi Section (from km 1305.087 to km 1380.387) of NH-27 in the states of Madhya Pradesh and Uttar Pradesh.

The project SPV (NHIPPL) is required to operate and maintain the Project/ Project Facilities in accordance with the provision of the Agreement, Applicable Laws and Applicable permits.

The Project SPV (NEPPL)has entered into seven concession agreements with National Highway Authority of India ("NHAI") for Tolling, Management, Maintenance and Transfer of seven toll road projects for a period of 20 years from the Appointed Date. The Appointed Date has commenced on 1st April, 2024 and therefore the

Notes to Consolidated Financial Statements for the year ended March 31, 2024

revenue and expenses of these seven road projects shall be recognised from next financial year. The toll roads covered under the concession agreement are as follows:

- Chichra – Kharagpur Project : Chichra – Kharagpur section of NH 49 with a total length of 56.12 kms, in the state of West Bengal;
- Rewa –Lakhnadon Project : Rewa – Katni – Jabalpur – Lakhnadon section of NH 30 and NH 34 with a total length of 306.34 kms, in the state of Madhya Pradesh;
- Kachugaon – Kaljhar Project : Kachugaon – Rakhaldubi Bus Junction – Kaljhar section of NH 27 with a total length of 114.17 kms, in the state of Assam
- Kaljhar – Patacharkuchi Project : Kaljhar – Patacharkuchi section of NH 27 with a total length of 27.30 kms, in the state of Assam;
- Lakhnadon – Mahagaon (Mohgaon) – Khawasa : Lakhnadon – Mahagaon (Mohgaon) – Khawasa section of NH 44 with a total length of 107.35 kms, in the state of Madhya Pradesh;
- Orai – Barah Project : Orai – Barah section of NH 27 with a total length of 62.90 kms, in the state of Uttar Pradesh; and
- Chitradurga Bypass – Hubli Project/ Karnataka Project : Chitradurga Bypass – Chitradurga – Davanagere – Haveri – Hubli section of NH 48 with a total length of 214.47 kms, in the state of Karnataka.

The Group acquired rights for Tolling, Management and Maintenance of the seven toll roads under the concession agreement signed with NHAI for consideration of ₹ 15,69,988.18 Lakhs, and the same have been recognized in current year financial statements as Capital Advance to NHAI as appointed date for the project is w.e.f 1st April, 2024.

The Group is required to operate and maintain the Project/ Project Facilities in accordance with the provision of the Concession Agreement, Applicable Laws and Applicable permits.

58. Material Developments

The group is in the process of changing the name of one of it's SPV from National Highways Infra Projects Private Limited to NHIT Western Projects Private Limited and has obtained necessary shareholders approval for the same. The procedural formailities are under process with Ministry of Corporate Affairs.

The Trust has invested the amount of ₹ 2,40,610 Lakh in the equity share capital of the NHIT Eastern Projects Private Limited (Project SPV's-II) during the year. NEPPL acquired rights for Tolling, Management and Maintenance of the seven toll roads under the concession agreement signed with NHAI for consideration of ₹ 15,69,988.18 Lakhs, Appointed date for the project is w.e.f 1st April, 2024.

59. The Board of Directors of the Investment Manager has declared distribution for January 2024 of ₹ 0.631 per unit which comprises of ₹ 0.606 per unit as interest and ₹ 0.025 per unit as other income on surplus funds at the Trust level in their meeting held on 4th March, 2024. Further, the Board of Directors of the Investment Manager has declared distribution for February 2024 & March 2024 of ₹ 0.705 per unit which comprises of ₹ 0.687 per unit as interest and ₹ 0.018 per unit as other income on surplus funds at the Trust level in their meeting held on 27th May, 2024.

The Board of Directors of the Investment Manager has declared distribution for Quarter 3 of FY 2023-24 of ₹ 1.697 per unit which comprises of ₹ 1.693 per unit as interest and ₹ 0.004 per unit as other income on surplus funds at the Trust level in their meeting held on 2nd February, 2024.

The Board of Directors of the Investment Manager had declared distribution for Quarter 2 of FY 2023-24 of ₹ 1.816 per unit which comprises of ₹ 1.774 per unit as interest and ₹ 0.042 per unit as other income on surplus funds at the Trust level in their meeting held on 8th November, 2023 and the Board of Directors of the Investment Manager had declared distribution for Quarter 1 of FY 2023-24 of ₹ 1.754 per unit which comprises of ₹ 1.742 per unit as interest and ₹ 0.012 per unit as other income on surplus funds at the Trust level in their meeting held on 11th August, 2023.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

60. Financial Ratios as on 31st March, 2024 and 31st March, 2023

(All amounts are in ₹ lakh unless otherwise stated)

S. No.	Particulars	At as March 31, 2024	At as March 31, 2023
1	Current Asset ratio (Current Assets /Current Liability)	0.49	2.00
2	Debt- Equity ratio (Debt/ Equity)	0.82	0.40
3	Debt service coverage ratio (Net Operating Cash flow/ Debt Service Obligation)	3.54	5.19
4	Interest service coverage ratio (EBIT/Finance Cost)	1.84	2.31
5	Networth (Unit Capital + Other Equity)	1,439,552.13	739,134.56
6	Asset Cover Ratio	2.01	3.21
7	Return on Equity (ROE ratio) (Net Profit/ Equity)	2.70%	3.82%
8	Total Debt to total assets	0.43	0.28
9	Net profit after tax	29,419.70	25,689.57
10	Outstanding redeemable preference shares (quantity and value) :	-	-
11	Capital redemption reserve/debenture redemption reserve:	-	-
12	Long term debt to working capital	(27.66)	21.67
13	Earning per unit	3.90	3.91
14	Inventory turnover ratio	NA	NA
15	Trade receivable turnover ratio	245.04	195.85
16	Trade payable turnover ratio	4.46	3.53
17	Current liability ratio	0.08	0.04
18	Bed debt to account receivable ratio	-	-
19	Net Capital turnover ratio (Total Income / Net Working Capital)	(2.30)	5.16
20	Operating margin %	77.54%	79.39%
21	Net profit after tax ratio (Net profit / Total Income)	30.19%	36.65%
22	Return on capital employed ratio ((Net Profit before Tax plus Finance Cost)/ (Equity + Debt))	1.97%	3.71%
23	Return on investment (Income on Investment / Average Cost of Investment)	8.82%	12.17%

Notes to Consolidated Financial Statements for the year ended March 31, 2024

61. Assets pledged as security

Under security provisions for external lenders, the shares of SPVs' i.e. NHIPPL & NEPPL held by NHIT (Trust) are pledged to external lenders to Trust. Whereas the loans provided by Trust to NHIPPL & NEPPL are assigned to the external lenders. Also it may be noted that the shares are not pledged to debenture holders. The carrying amounts of assets pledged as security for current and non current borrowings are:

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	At as March 31, 2024	At as March 31, 2023
Current		
Financial assets		
First Charge		
Trade receivables	385.20	350.87
Cash and cash equivalents	46,400.78	21,124.08
Other financial assets	517.52	6.65
Non Financial assets		
First Charge		
Other current assets	2,303.89	1,634.06
Total current assets pledged as security	**49,607.39**	**23,115.65**
Non Current		
Other financial assets	10,177.86	9,672.44
Non-current tax assets (Net)	22.38	12.06
Total non current assets pledged as security	**10,200.24**	**9,684.50**
Total assets pledged as security	**59,807.63**	**32,800.16**

62. Key sources of estimation

The preparation of Consolidated financial statements in conformity with Ind AS requires the Group to makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include allowance for doubtful loans /other receivables, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

63. Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year ₹ Nil [31st March, 2023 : ₹ Nil]

64. Default and breaches

There are no defaults during the year with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings. There are no breaches during the year which permitted lender to demand accelerated payment.

65. Additional regulatory information required by Schedule-III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The group have not received any fund from any person(s) or entity{ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The group have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the company to or in any person{s) or entity{ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) Valuation of Property, plant and equipment and intangible asset

The group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(ix) The Group did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(x) Relationship with struck off companies.

The group does not have any transactions with the companies struck off under Section 248 of companies Act 2013 and therefore no further disclosure required thereunder.

66. Comparatives figures have been reclassified/regrouped wherever necessary to confirm to the current period classification.

For A.R. & Co.
Chartered Accountants
Firm Registration no. 002744C

CA Mohd. Azam Ansari
Partner
M.No.511623

Date : 27th May 2024
Place : New Delhi

For and on behalf of Board of Directors of the National Highways Infra Investment Managers Private Limited (Acting as Investment Manager of National Highways Infra Trust)

Suresh Krishan Goyal
Director
DIN: 02721580

Mahavir Parsad Sharma
Director
DIN: 03158413

Mathew George
Chief Financial Officer

Gunjan Singh
Compliance Officer



SECRETARIAL COMPLIANCE REPORT OF NATIONAL HIGHWAYS INFRA TRUST

For the year ended 31st March 2024

To
National Highways Infra Trust,
(Acting through its Investment Manager
-National Highways Infra Investment Managers Private Limited)
G-5 & 6, Sector 10, Dwarka, New Delhi - 110075

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by National Highways Infra Trust (hereinafter referred as "the InvIT"), acting through its Investment Manager – National Highways Infra Investment Managers Private Limited) (hereinafter referred as "the investment manager"), having its registered office at G-5 & 6, Sector 10, Dwarka, New Delhi-110075. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Investment Manager books, papers, minutes books and other records maintained by the Investment Manager and also the information provided by the Investment Manager, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the InvIT has, during the review period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, MMJB & Associates LLP, Practicing Company Secretaries, have examined:

(a) all the documents and records made available to us and explanation provided by **National Highways Infra Investment Managers Private Limited**

(b) the filings/submissions made by the investment manager to the Stock Exchanges,

(c) website of the National Highways Infra Trust (**"the InvIT"**),

(d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2024 ('Review Period') in respect of compliance with the provisions of:

i. the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and

ii. the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (hereinafter referred to as "InvIT Regulations");

(b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**to the extent applicable to the InvIT**);

(c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "PIT Regulations")

and circulars/ guidelines issued thereunder;

Based on above examination, we hereby report that, during the review period:

Secretarial Compliance Report of National Highways Infra Trust (Cont.)

(a) The Investment Manager of the InvIT has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

S. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 4(2)(e)(v) of InvIT Regulations	The Composition of Governing Board is not in Compliance of Regulation 4(2)(e)(v) of InvIT Regulations from 1st April, 2023 till 15th November, 2023 and from 27th March, 2024 till the end of Review Period.	As per InvIT Regulations the Governing Board of Investment Manager shall have at least half of its Directors as Independent. • Post resignation of Mr. Balasubramanyam Sriram, Independent Director w.e.f. 1st April, 2023, the Manager have only 4 Independent Directors out of 9 Directors till 15th November, 2023. Further, Mr. Amit Kumar Gosh, Non-Executive Director, ceased to be a director and thereafter the Composition is duly complied. Furthermore, pursuant to appointment of Mr. Vinay Kumar, Non-Executive Director, once again the investment manager has only 4 Independent Directors. • During this period, the investment Manager have applied to SEBI for relaxation of strict enforcement of Reg 4(2)(e)(v) of InvIT Regulation, on various intervals and the same has been granted by SEBI till 30th April, 2024. • Further, the investment manager has appointed Ms. Usha Rao Monari as Additional (Non-Executive & Independent) Director w.e.f. 16th April, 2024.
2	Regulation 26H of InvIT Regulations	The Composition of Governing Board is not in Compliance of Reg 26H of InvIT Regulations from 1st April, 2023 till the end of Review Period.	• As per InvIT Regulations Governing Board of the investment manager shall have one Independent Woman Director. • However, the investment manager has not appointed Independent Woman Director w.e.f. 1st April, 2023. • Investment Manager has applied to SEBI for relaxation of strict enforcement of Reg 26H(1) of InvIT Regulation on various intervals and the same has been granted by SEBI till 30th April, 2024. • Further, the investment manager has appointed Ms. Usha Rao Monari as Additional (Non-Executive & Independent) Director w.e.f. 16th April, 2024.

Secretarial Compliance Report of National Highways Infra Trust (Cont.)

S. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
3	Regulation 26G of InvIT Regulation read with Regulation 18 of Listing Regulations	Composition of Audit Committee.	As per Regulation 18(1)(b) of Listing Regulations at least two-thirds of the members of audit committee shall be independent directors but from 1st April, 2023 to 17th October, 2023 the Committee consists of 5 Members out of which 3 were Independent Director, which is less than the required number. However, in Board Meeting dated 18th October, 2023, the Committee was re-constituted and Mr. Sumit Bose was appointed with immediate effect and thereafter the Composition was in compliance with the Regulation.
4	Allotment Report of Preferential Issue as per Clause 7.3.6. of Master Circular SEBI/HO/DDHS/DDHS_Div3/P/CIR/2022/53 dated 26th April, 2022	Allotment Report w.r.t. Preferential Issue was filed in delay.	The InvIT has allotted 49,79,26,000 and 8,78,69,400 units by way of Institutional Placement and Preferential Issue, respectively on 15th March, 2024. Further, the allotment report w.r.t. the said circular for Institutional Placement was filed to SEBI on 21st March, 2024 and for Preferential Issue was filed on 25th May, 2024.

(b) The investment manager of the InvIT has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the InvIT, parties to the InvIT, its promoters, directors either by SEBI or by Stock Exchanges *(including under the Standard Operating Procedures issued by SEBI through various circulars)* under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
Nil				

Secretarial Compliance Report of National Highways Infra Trust (Cont.)

(d) The investment manager of the InvIT has taken following actions to comply with the observations made in previous reports as specified below:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the Investment Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the InvIT
1.	InvIT was not having Structured Digital Database as per PIT Regulations till 4th September, 2022 and the entries were made in delay in the software.	31st March, 2023	The IT System of the Company is operated on NHAI servers and for installing the software for maintaining the said database on NHAI, the necessary permission from NHAI was required to be taken and the request in this regard was made to Head IT, NHAI. The Company was maintaining spreadsheet for making the required entries under the UPSI Policy and SEBI PIT Regulations, 2015. The SDD software was duly installed during the Year and updated by the IM Company.	-
2	InvIT is required to file allotment report along with placement document with SEBI within 7 days of allotment of units.	31st March, 2023	As informed by the merchant bankers responsible for post issue compliances of units, as there is no prescribed format for filing allotment report, the allotment details of preferential issue were captured in the placement document filed with Stock Exchanges and no separate report was filed. Further, the allotment was made to sponsor through preferential issue and to QIBs through further issue on 12th October, 2022. The allotment details of preferential issue was getting captured in placement document filed on 17th October, 2022 after allotment w.r.t. QIB issue.	-

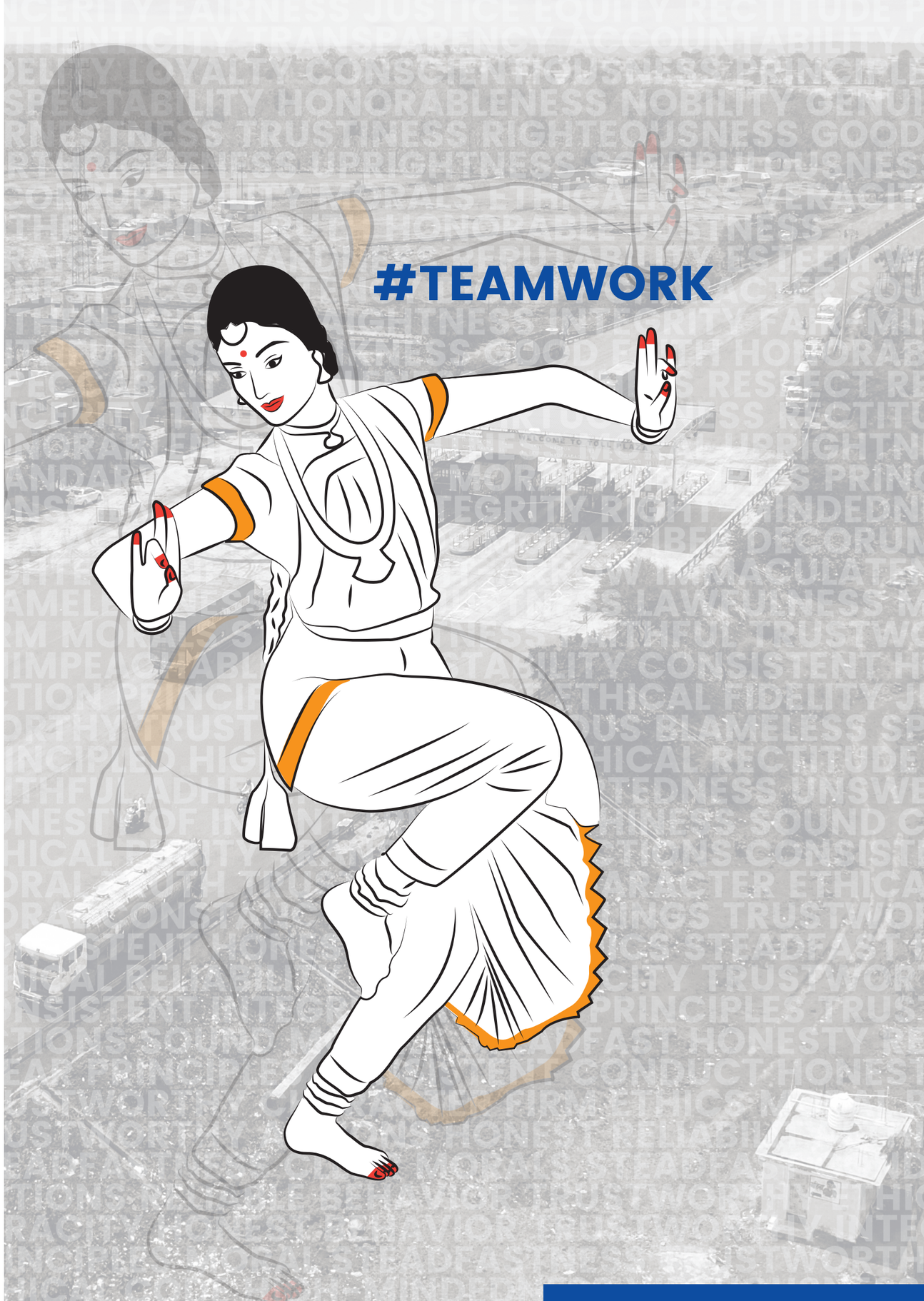
Secretarial Compliance Report of National Highways Infra Trust (Cont.)

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the Investment Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the InvIT
3	Governing board was not duly constituted from 12th October, 2022 to 29th November, 2022 and from 6th January, 2023 to 11th January, 2023. Mr. Vivek Rae, Independent Director (ID) resigned w.e.f. 12th July, 2022. Hence, ID position became vacant. New ID has been appointed on 11th January, 2023.	31st March, 2023	Post resignation of Mr. Vivek Rae, ID of the Company, the position of Independent Directors became vacant. In terms of the Articles of Association of the Company, the Search-cum-Selection Committee formed by the Government of India is to identify the Independent Directors to be appointed on the Board of Directors of the Investment Manager and accordingly a request was made by the Company to the Chairperson, NHAI intimating the same and requesting for appointment of ID in place of Mr. Rae. Accordingly, upon receipt of letter from The Ministry of Road Transport & Highways (MoRTH) dated 5th January, 2023 communicating the approval for appointment of Mr. Sumit Bose, IAS (Retd.), as ID on the Board of Company Mr. Sumit Bose was appointed ID on 11th January, 2023. The Company has also applied to Securities Exchange Board of India (SEBI) on 24th January, 2024 for condonation of Non-Compliance with respect to eligibility criteria of 50% of Independent Director in the Board. The said letter was acceded by SEBI.	-

For MMJB and Associates LLP
Company Secretaries

Deepti Kulkarni
Designated Partner
CP No. 22502
PR: 2826/2022
UDIN: A034733F000452700

Place: Mumbai
Date: 27th May 2024



CORPORATE GOVERNANCE REPORT

ANNEX I

Report on Governance to be submitted by the investment Managers on a quarterly basis

1. Name of InvIT – National Highways Infra Trust
2. Name of the Investment manager – National Highways Infra Investment Managers Private Limited
3. Quarter ending – 30th June, 2023

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	PAN$ & DIN	Category (Chairperson / Non-Independent / Independent / Nominee)&	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager
										(Refer Regulation 26G of InvIT Regulations)	*(Refer Regulation 26G of InvIT Regulations)*
Mr	SURESH KRISHAN GOYAL	DIN: 02721580	Executive Director- MD- CEO	20-10-2020				1	0	1	0
Mr	MAHAVIR PARSAD SHARMA	DIN: 03158413	Independent Director	20-10-2020	20-10-2020		32.11	1	1	1	0
Mr	SHAILENDRA NARAIN ROY	DIN: 02144836	Independent Director	20-10-2020	20-10-2020		32.11	1	1	2	1
Mr	PRADEEP SINGH KHAROLA	DIN: 05347746	Independent Director	14-12-2021	14-12-2021		18.17	1	1	1	0
Mr	SUMIT BOSE	DIN: 03340616	Independent Director	11-01-2023	11-01-2023		5.20	5	5	7	3
Mr	NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	DIN: 09494456	Nominee Director	23-03-2022				1	0	1	0
Mr	AMIT KUMAR GHOSH	DIN: 01092172	Nominee Director	06-08-2021				1	0	1	0
Mr	BRUCE ROSS CRANE	DIN: 08403603	Non-Independent Director	06-01-2023				1	0	1	0
Ms	KAVITA SAHA	DIN: 03313543	Non- Independent Director	06-01-2023				1	0	2	0

Whether Regular chairperson appointed - **No**

Whether Chairperson is related to Managing director or CEO- **No**

$PAN of any director would not be displayed on the website of Stock Exchange.

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

**to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the investment manager in continuity without any cooling off period.*

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/Non-Independent/ Independent /Nominee) &	Date of Appointment	Date of Cessation
1. Audit Committee	No	SHAILENDRA NARAIN ROY	Member- Independent Director	09-03-2023	
		MAHAVIR PARSAD SHARMA	Member- Independent Director	03-02-2021	
		PRADEEP SINGH KHAROLA	Member- Independent Director	14-02-2022	
		NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	Member- Nominee Director	23-03-2022	
		KAVITA SAHA	Member-Non-Independent Director	09-03-2023	
2. Nomination & Remuneration Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	10-11-2020	
		AMIT KUMAR GHOSH	Member- Nominee Director	14-02-2022	30-06-2023
		MAHAVIR PARSAD SHARMA	Member- Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		BRUCE ROSS CRANE	Member- Non-Independent Director	09-03-2023	30-06-2023
		PRADEEP SINGH KHAROLA	Member- Independent Director	30-06-2023	
3. Risk Management Committee	Yes	PRADEEP SINGH KHAROLA	Chairman- Independent Director	09-03-2023	
		BRUCE ROSS CRANE	Member- Non Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		KAVITA SAHA	Member- Non Independent Director	09-03-2023	
		GEORGE MATHEW	Member- Non-Board Member (Chief Financial Officer)	09-03-2023	
4. Stakeholders Relationship Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	03-02-2021	
		SURESH KRISHAN GOYAL	Member- Executive Director- MD/CEO	03-02-2021	
		AMIT KUMAR GHOSH	Member- Nominee Director	14-02-2022	
		BRUCE ROSS CRANE	Member- Non-Independent Director	09-03-2023	
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	

& Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with a hyphen.

III. Meetings of the Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
23-01-2023					-
14-02-2023					21
20-02-2023					5
14-03-2023					21
	22-05-2023	Yes	9	4	68

** to be filled in only for the current quarter meetings*

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
				14-02-2023	-
				20-02-2023	21
				14-03-2023	5
22-05-2023	Yes	5	3		68
Nomination and Remuneration Committee					
				14-03-2023	
22-05-2023	Yes	5	3		
Stakeholders Relationship Committee					
				14-03-2023	
28-06-2023	Yes	4	1		
Risk Management Committee					
28-06-2023	Yes	4	2		NA

** to be filled in only for the current quarter meetings. -*

***This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.*

V. Affirmations

1. The composition of the Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **No***
2. The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014
   a. Audit Committee - **Yes**
   b. Nomination & Remuneration Committee - **Yes**
   c. Stakeholders Relationship Committee - **Yes**
   d. Risk management committee – **Yes**
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
5. This report and/or the report submitted in the previous quarter have been placed before Board of Directors of the investment manager. - **Yes**

* National Highways Infra Investment Managers Private Limited (Investment Manager of National Highways Infra Trust ("Trust")) had applied to SEBI on 23rd May, 2023, for an extension from compliance with the appointment of Independent Woman Director under Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI (Infrastructure Investment Trusts) Regulation, 2014 ("InvIT Regulations"). SEBI vide its letter dated 15th June, 2023, has issued an acceptance letter for the extension from the appointment of Independent Women Director under the InvIT Regulations till 31st July, 2023.

Gunjan Singh

Compliance Officer

ANNEX I

Report on Governance to be submitted by the investment manager on quarterly basis

1. Name of InvIT – National Highways Infra Trust
2. Name of the Investment manager – National Highways Infra Investment Manager Private Limited
3. Quarter ending – 30th September, 2023

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	PAN$ & DIN	Category (Chairperson / Non-Independent / Independent / Nominee)&	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager
										(Refer Regulation 26G of InvIT Regulations)	*(Refer Regulation 26G of InvIT Regulations)*
Mr	SURESH KRISHAN GOYAL	DIN: 02721580	Executive Director- MD- CEO	20-10-2020				1	0	1	0
Mr	MAHAVIR PARSAD SHARMA	DIN: 03158413	Independent Director	20-10-2020	20-10-2020		35.11	1	1	1	0
Mr	SHAILENDRA NARAIN ROY	DIN: 02144836	Independent Director	20-10-2020	20-10-2020		35.11	1	1	2	1
Mr	PRADEEP SINGH KHAROLA	DIN: 05347746	Independent Director	14-12-2021	14-12-2021		21.17	1	1	1	0
Mr	SUMIT BOSE	DIN: 03340616	Independent Director	11-01-2023	11-01-2023		8.20	5	5	7	3

Title (Mr. / Ms.)	Name of the Director	PAN$ & DIN	Category (Chairperson / Non-Independent / Independent / Nominee)&	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager
Mr	NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	DIN: 09494456	Nominee Director	23-03-2022				1	0	1	0
Mr	AMIT KUMAR GHOSH	DIN: 01092172	Nominee Director	06-08-2021				1	0	1	0
Mr	BRUCE ROSS CRANE	DIN: 08403603	Non-Independent Director	06-01-2023				2	0	1	0
Ms	KAVITA SAHA	DIN: 03313543	Non- Independent Director	06-01-2023				1	0	2	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to Managing director or CEO – **Not Applicable**

$PAN of any director would not be displayed on the website of Stock Exchange.

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

**to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the investment manager in continuity without any cooling off period.*

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/Non-Independent/ Independent /Nominee) &	Date of Appointment	Date of Cessation
1. Audit Committee	No	SHAILENDRA NARAIN ROY	Member- Independent Director	09-03-2023	-
		MAHAVIR PARSAD SHARMA	Member- Independent Director	03-02-2021	-
		PRADEEP SINGH KHAROLA	Member- Independent Director	14-02-2022	-
		NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	Member- Nominee Director	23-03-2022	-
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	-
2. Nomination & Remuneration Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	10-11-2020	-
		MAHAVIR PARSAD SHARMA	Member- Independent Director	09-03-2023	-
		SUMIT BOSE	Member- Independent Director	09-03-2023	-
		PRADEEP SINGH KHAROLA	Member- Independent Director	30-06-2023	-
3. Risk Management Committee	Yes	PRADEEP SINGH KHAROLA	Chairman- Independent Director	09-03-2023	-
		BRUCE ROSS CRANE	Member- Non-Independent Director	09-03-2023	-
		SUMIT BOSE	Member- Independent Director	09-03-2023	-
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	-
		GEORGE MATHEW	Member- Non-Board Member (Chief Financial Officer)	09-03-2023	-
4. Stakeholders Relationship Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	03-02-2021	-
		SURESH KRISHAN GOYAL	Member- Executive Director- MD/CEO	03-02-2021	-
		AMIT KUMAR GHOSH	Member- Nominee Director	14-02-2022	-
		BRUCE ROSS CRANE	Member- Non-Independent Director	09-03-2023	-
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	-

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with a hyphen.

III. Meetings of the Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
22-05-2023			8	4	-
	11-08-2023	Yes	8	4	82 days

** to be filled in only for the current quarter meetings*

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
				22-05-2023	-
11-08-2023	Yes	5	3		82 days
Nomination and Remuneration Committee					
				22-05-2023	
14-09-2023	Yes	4	4		116 days
Stakeholders Relationship Committee					
				28-06-2023	
14-09-2023	Yes	5	1		79 Days
Risk Management Committee					
				28-06-2023	-

** to be filled in only for the current quarter meetings. -*

***This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional*

V. Affirmations

1. The composition of the Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **No***
2. The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014
   a. Audit Committee - **No***
   b. Nomination & Remuneration Committee - **Yes**
   c. Stakeholders Relationship Committee - **Yes**
   d. Risk management committee – **Yes**
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
5. This report and/or the report submitted in the previous quarter have been placed before Board of Directors of the investment manager. - **Yes**

**National Highways Infra Investment Managers Private Limited (acting in its capacity as Investment Manager to the National Highways Infra Trust ("Trust") had applied to SEBI on 23rd May, 2023, for an extension from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI (Infrastructure Investment Trusts) Regulation, 2014 ("InvIT Regulations"), which inter-alia provides for having half of the Board as Independent Directors and for the appointment of Women Independent Director on the Board of IM. Accordingly, the SEBI vide its letter dated 15th June, 2023, had issued an acceptance letter for the extension from the appointment of Women Independent Director under the aforementioned regulations of the InvIT Regulations till 31st July, 2023*

NHIIMPL made further applications for extension of the exemption from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI InvIT Regulations vide letter dated 31st July, 2023 and SEBI vide letter dated 8th August, 2023 accepted the request for extension and allowed relaxation from compliance upto 30th September, 2023.

NHIIMPL has further requested for extension vide letter dated 29th September, 2023 and email dated 16th October, 2023, and SEBI vide letter dated 20th October, 2023 accepted the request for extension and allowed relaxation till 15th November, 2023

The composition of the Audit Committee of the NHIIMPL during the quarter ended 30th September, 2023 was not adequate in accordance with a strict interpretation of the InvIT Regulations read with the relevant provisions of LODR as the listed entity is required to have 2/3rd of the members of the Audit Committee as Independent Directors. However, it is noteworthy that the reasonable steps were taken by the NHIIMPL and the Board of directors in their meeting held on 18th October, 2023 has reconstituted the Audit Committee. Hence, NHIIMPL is now compliant with the requisite requirement for the composition of Audit Committee as per InvIT Regulations.

Gunjan Singh

Compliance Officer

ANNEX I

Report on Governance to be submitted by the investment manager on quarterly basis

1. Name of InvIT – National Highways Infra Trust
2. Name of the Investment manager – National Highways Infra Investment Managers Private Limited
3. Quarter ending – 31st December, 2023

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	PAN$ & DIN	Category (Chairperson / Non-Independent / Independent / Nominee)&	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager
										(Refer Regulation 26G of InvIT Regulations)	*(Refer Regulation 26G of InvIT Regulations)*
Mr	SURESH KRISHAN GOYAL	02721580	Executive Director- MD- CEO	20-10-2020				1	0	1	0
Mr	MAHAVIR PARSAD SHARMA	03158413	Independent Director	20-10-2020	20-10-2020		38.11	1	1	1	0
Mr	SHAILENDRA NARAIN ROY	02144836	Independent Director	20-10-2020	20-10-2020		38.11	1	1	2	1
Mr	PRADEEP SINGH KHAROLA	05347746	Independent Director	14-12-2021	14-12-2021		24.17	1	1	1	0
Mr	SUMIT BOSE	03340616	Independent Director	11-01-2023	11-01-2023		11.20	5	5	8	4
Mr	NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	09494456	Nominee Director	23-03-2022				1	0	1	0
Mr	PUSHKAR VIJAY KULKARNI	00090996	Unitholders Nominee Director	08-11-2023				1	0	2	0
Mr	DEBAPRATIM HAJARA	09804007	Unitholders Nominee Director	08-11-2023				2	0	3	0
Mr	AMIT KUMAR GHOSH#	01092172	Nominee Director	06-08-2021		15-11-2023		1	0	1	0
Mr	BRUCE ROSS CRANE#	08403603	Non-Independent Director	06-01-2023		07-11-2023		2	0	1	0
Ms	KAVITA SAHA#	03313543	Non- Independent Director	06-01-2023		08-11-2023		1	0	2	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to Managing Director or CEO – **No**

$PAN of any director would not be displayed on the website of Stock Exchange.

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

**to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the investment manager in continuity without any cooling off period.*

 # Details are given up to their period of association as directors on the Board.

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/Non-Independent/ Independent /Nominee) &	Date of Appointment	Date of Cessation
1. Audit Committee	No#	SHAILENDRA NARAIN ROY	Member- Independent Director	09-03-2023	
		MAHAVIR PARSAD SHARMA	Member- Independent Director	03-02-2021	
		PRADEEP SINGH KHAROLA	Member- Independent Director	14-02-2022	
		SUMIT BOSE	Member- Independent Director	18-10-2023	
		NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	Member- Nominee Director	23-03-2022	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	08-11-2023
2. Nomination & Remuneration Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	10-11-2020	
		MAHAVIR PARSAD SHARMA	Member- Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		PRADEEP SINGH KHAROLA	Member- Independent Director	30-06-2023	
3. Risk Management Committee	Yes	PRADEEP SINGH KHAROLA	Chairman- Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
		DEBAPRATIM HAJARA	Member- Unitholder Nominee Director	08-11-2023	
		MATHEW GEORGE	Member- Non-Board Member (Chief Financial Officer)	09-03-2023	
		BRUCE ROSS CRANE	Member- Non Independent Director	09-03-2023	07-11-2023
		KAVITA SAHA	Member- Non Independent Director	09-03-2023	08-11-2023
4. Stakeholders Relationship Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	03-02-2021	
		SURESH KRISHAN GOYAL	Member- Executive Director- MD/CEO	03-02-2021	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
		DEBAPRATIM HAJARA	Member- Unitholder Nominee Director	08-11-2023	
		AMIT KUMAR GHOSH	Member- Nominee Director	14-02-2022	15-11-2023
		BRUCE ROSS CRANE	Member- Non-Independent Director	09-03-2023	07-11-2023
		KAVITA SAHA	Member- Non-Independent Director	09-03-2023	08-11-2023

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with a hyphen.

 # Mr. Pradeep Singh Kharola has been appointed as a Chairman of the Audit Committee on 8th January, 2024.

III. Meetings of the Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
11-08-2023		Yes	8	4	-
	18-10-2023	Yes	8	4	68
	08-11-2023	Yes	9	4	21
	09-11-2023#	Yes	7	4	1

** to be filled in only for the current quarter meetings*

#The Board Meeting dated 8th November, 2023 was adjourned for 1 (one) Agenda Item and was resumed next day, 9th November, 2023.

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
	Yes	5	3	11-08-2023	-
18-10-2023	Yes	6	4	-	68
08-11-2023	Yes	6	4	-	21
Nomination and Remuneration Committee					
	Yes	4	4	14-09-2023	
08-11-2023	Yes	4	4		55
Stakeholders Relationship Committee					
	Yes	5	1	14-09-2023	
08-11-2023	Yes	5	1		55
Risk Management Committee					
08-11-2023	Yes	5	2		-

** to be filled in only for the current quarter meetings. -*

***This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.*

V. Affirmations

1. The composition of the Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **No***
2. The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014
   a. Audit Committee - **Yes**
   b. Nomination & Remuneration Committee - **Yes**
   c. Stakeholders Relationship Committee - **Yes**
   d. Risk management committee – **Yes**
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
5. This report and/or the report submitted in the previous quarter have been placed before Board of Directors of the investment manager. - **Yes**

**National Highways Infra Investment Managers Private Limited (acting in its capacity as Investment Manager to the National Highways Infra Trust ("Trust") had applied to SEBI on 23rd May, 2023, for an extension from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI (Infrastructure Investment Trusts) Regulation, 2014 ("InvIT Regulations"), which inter-alia provides for having half of the Board as Independent Directors and for the appointment of Women Independent Director on the Board of IM. Accordingly, the Sebi vide its letter dated 15th June, 2023, has issued an acceptance letter for the extension from the appointment of Women Independent Director under the aforementioned regulations of the InvIT Regulations till 31st July, 2023.*

NHIIMPL made further applications for extension of the exemption from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI InvIT Regulations vide letter dated 31st July, 2023 and SEBI vide letter dated 8th August, 2023 accepted the request for extension and allowed relaxation from compliance upto 30th September, 2023.

NHIIMPL has further requested for extension vide letter dated 29th September, 2023 and email dated 16th October, 2023, and SEBI vide letter dated 20th October, 2023 accepted the request for extension and allowed relaxation till 15th November, 2023.

NHIIMPL has further requested for extension vide letter dated 14th November, 2023, and SEBI vide letter dated 29th November, 2023 accepted the request for extension and allowed relaxation till 15th January, 2024.

NHIIMPL has further requested for extension vide letter dated 15th January, 2024, till 15th February, 2024.

For **National Highways Infra Trust**

By Order of the Board

National Highways Infra Investment Managers Private Limited

Gunjan Singh

Compliance Officer

ANNEX I

Report on Governance to be submitted by the investment manager on quarterly basis

1. Name of InvIT – National Highways Infra Trust
2. Name of the Investment manager – National Highways Infra Investment Managers Private Limited
3. Quarter ending – 31st March, 2024

I. Composition of Board of Directors of the Investment Manager

Title (Mr. / Ms.)	Name of the Director	PAN$ & DIN	Category (Chairperson / Non-independent / Independent / Nominee)&	Initial Date of Appointment	Date of Reappointment	Date of Cessation	Tenure*	No. of directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager	Number of memberships in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager
										(Refer Regulation 26G of InvIT Regulations)	*(Refer Regulation 26G of InvIT Regulations)*
Mr	SURESH KRISHAN GOYAL	02721580	Executive Director- MD- CEO	20-10-2020				1	0	1	0
Mr	MAHAVIR PARSAD SHARMA	03158413	Independent Director	20-10-2020	20-10-2020		41.11	1	1	1	0
Mr	SHAILENDRA NARAIN ROY	02144836	Independent Director	20-10-2020	20-10-2020		41.11	1	1	2	1
Mr	PRADEEP SINGH KHAROLA	05347746	Independent Director	14-12-2021	14-12-2021		27.17	1	1	1	1
Mr	SUMIT BOSE	03340616	Independent Director	11-01-2023	11-01-2023		14.20	5	5	8	4
Mr	NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	09494456	Nominee Director	23-03-2022				1	0	1	0
Mr.	VINAY KUMAR	02174687	Nominee Director	27-03-2024				1	0	1	0
Mr	PUSHKAR VIJAY KULKARNI	00090996	Unitholders Nominee Director	08-11-2023				1	0	2	0
Mr	DEBAPRATIM HAJARA	09804007	Unitholders Nominee Director	08-11-2023				2	0	3	0

Whether Regular chairperson appointed – **No**

Whether Chairperson is related to Managing director or CEO – **No**

$PAN of any director would not be displayed on the website of Stock Exchange.

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

**to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the investment manager in continuity without any cooling off period.*

 # Details are given upto their period of association as director on the Board.

II. Composition of Committees

Name of Committee	Whether Regular chairperson appointed	Name of Committee members	Category (Chairperson/Non-Independent/ Independent /Nominee) &	Date of Appointment	Date of Cessation
1. Audit Committee	No	PRADEEP SINGH KHAROLA	Chairperson	08-01-2024 (appointed as a Chairperson) 14-02-2022	
		SHAILENDRA NARAIN ROY	Member- Independent Director	09-03-2023	
		MAHAVIR PARSAD SHARMA	Member- Independent Director	03-02-2021	
		SUMIT BOSE	Member- Independent Director	18-10-2023	
		NETI RAVI VIJAY VENKAT MURALI KRISHNA RAJENDRA KUMAR	Member- Nominee Director	23-03-2022	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
2. Nomination & Remuneration Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	10-11-2020	
		MAHAVIR PARSAD SHARMA	Member- Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		PRADEEP SINGH KHAROLA	Member- Independent Director	30-06-2023	
3. Risk Management Committee	Yes	PRADEEP SINGH KHAROLA	Chairman- Independent Director	09-03-2023	
		SUMIT BOSE	Member- Independent Director	09-03-2023	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
		DEBAPRATIM HAJARA	Member- Unitholder Nominee Director	08-11-2023	
		MATHEW GEORGE	Member- Non-Board Member (Chief Financial Officer)	09-03-2023	
4. Stakeholders Relationship Committee	Yes	SHAILENDRA NARAIN ROY	Chairman- Independent Director	03-02-2021	
		SURESH KRISHAN GOYAL	Member- Executive Director- MD/CEO	03-02-2021	
		PUSHKAR KULKARNI	Member- Unitholder Nominee Director	08-11-2023	
		DEBAPRATIM HAJARA	Member- Unitholder Nominee Director	08-11-2023	
		VINAY KUMAR	Member- Nominee Director	27-03-2024	

&Category of directors means non-independent/independent/Nominee. If a director fits into more than one category write all categories separating them with a hyphen.

III. Meetings of the Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met*	Number of Directors present*	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
18-10-2023		Yes	8	4	-
08-11-2023		Yes	9	4	-
09-11-2023* (Adjourned Board Meeting)					
	08-01-2024	Yes	8	4	60
	16-01-2024	Yes	7	4	7
	22-01-2024	Yes	8	4	6
	27-01-2024	Yes	7	4	5
	02-02-2024	Yes	7	4	6
	10-02-2024	Yes	6	4	8
	13-02-2024	Yes	8	4	3
	04-03-2024	Yes	8	4	20
	07-03-2024	Yes	8	4	3
	13-03-2024#	Yes	8	4	6
	15-03-2024# (Adjourned Board Meeting)	Yes	7	4	2
	27-03-2024	Yes	8	4	12

** to be filled in only for the current quarter meetings*

#The Board Meeting dated 13th March, 2024 was adjourned for few Agenda Items and was resumed on 15th March, 2024

IV. Meetings of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days) **
Audit Committee					
	Yes	5	3	18-10-2023	-
	Yes	5	3	08-11-2023	-
03-01-2024	Yes	5	3		55
08-01-2024	Yes	5	3		5
16-01-2024	Yes	4	3		8
22-01-2024	Yes	5	3		6
27-01-2024	Yes	4	3		5
30-01-2024	Yes	4	3		3
02-02-2024	Yes	4	3		3
10-02-2024	Yes	4	3		8
13-02-2024	Yes	5	3		3
04-03-2024	Yes	5	3		20
07-03-2024	Yes	5	3		3
13-03-2024*	Yes	5	3		6
15-03-2024*	Yes	4	3		2
27-03-2024	Yes	4	3		12
Nomination and Remuneration Committee					
	Yes	4	4	08-11-2023	-
28-02-2024	Yes	4	4		112
27-03-2024	Yes	4	4		28
Stakeholders Relationship Committee					
	Yes	5	1	08-11-2023	-
27-01-2024	Yes	4	1		80
Risk Management Committee					
	Yes	5	2	08-11-2023	-
28-02-2024	Yes	5	2		112

** to be filled in only for the current quarter meetings. -*

***This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.*

V. Affirmations

1. The composition of the Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **No***
2. The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014
   a. Audit Committee - **Yes**
   b. Nomination & Remuneration Committee - **Yes**
   c. Stakeholders Relationship Committee - **Yes**
   d. Risk management committee – **Yes**
3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014. – **Yes**
5. This report and/or the report submitted in the previous quarter have been placed before Board of Directors of the investment manager. - **Yes**

**National Highways Infra Investment Managers Private Limited (acting in its capacity as Investment Manager to the National Highways Infra Trust ("Trust") had applied to SEBI on 23rd May, 2023, for an extension from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(i) of SEBI (Infrastructure Investment Trusts) Regulation, 2014 ("InvIT Regulations"), which inter-alia provides for having half of the Board as Independent Directors and for the appointment of Women Independent Director on the Board of IM. Accordingly, the SEBI vide its letter dated 15th June, 2023, has issued an acceptance letter for the extension from the appointment of Women Independent Director under the aforementioned regulations of the InvIT Regulations till 31st July, 2023.*

NHIIMPL made further applications for extension of the exemption from compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(i) of SEBI InvIT Regulations vide letter dated 31st July, 2023 and SEBI vide letter dated 8th August, 2023 accepted the request for extension and allowed relaxation from compliance upto 30th September, 2023.

NHIIMPL has further requested for extension vide letter dated 29th September, 2023 and email dated 16th October, 2023, and SEBI vide letter dated 20th October, 2023 accepted the request for extension and allowed relaxation till 15th November, 2023

NHIIMPL has further requested for extension vide letter dated 14th November, 2023, and SEBI vide letter dated 29th November, 2023 accepted the request for extension and allowed relaxation till 15th January, 2024

NHIIMPL has further requested for extension vide letter dated 15th January, 2024, and SEBI vide letter dated 23rd January, 2024 accepted the request for extension and allowed relaxation till 15th February, 2024.

NHIIMPL has further requested for extension vide letter dated 15th February, 2024 and SEBI vide letter dated 21st February, 2024 accepted the request for extension and allowed relaxation till 31st March, 2024.

NHIIMPL has further requested for extension vide letter dated 1st April, 2024 and SEBI vide letter dated 4th April, 2024 accepted the request for extension and allowed relaxation till 30th April, 2024.

It is further to be noted that on 16th April, 2024, Ms. Usha Rao Monari has been appointed as a Women Independent Director on the board of the Company, and the Composition of the Board of Directors of IM Company is now in compliance with InvIT Regulations.

For **National Highways Infra Trust**
By Order of the Board
National Highways Infra Investment Managers Private Limited

Gunjan Singh
Compliance Officer

ANNEX II

I. Disclosure on website of InvIT in terms of SEBI Circular No. CIR/IMD/DF/127/2016 dated 29th November, 2016		
Item	***Compliance status (Yes/No/NA)*** *refer note below*	***If Yes provide link to website. If No / NA provide reasons***
a) Details of business	Yes	https://nhit.co.in/about-us/
b) Financial information including complete copy of the Annual Report including Balance Sheet, Profit and Loss Account, etc.	Yes	https://nhit.co.in/reports/#tab_661b085d8a2f3 https://nhit.co.in/reports/#tab_661b085d8a306
c) Contact information of the designated officials of the company who are responsible for assisting and handling investor grievances	Yes	https://nhit.co.in/#tab_661b085d8a30f
d) Email ID for grievance redressal and other relevant details	Yes	https://nhit.co.in/#tab_661b085d8a30f
e) Information, report, notices, call letters, circulars, proceedings, etc. concerning units	Yes	https://nhit.co.in/reports/
f) All information and reports including compliance reports filed by InvIT with respect to units	Yes	https://nhit.co.in/reports/
g) All intimations and announcements made by InvIT to the stock exchanges	Yes	https://nhit.co.in/reports/#tab_661b085d8a2ff
h) All complaints including SCORES complaints received by the InvIT	Yes	https://nhit.co.in/reports/
i) Any other information which may be relevant for the investors	Yes	https://nhit.co.in/
It is certified that these contents on the website of the InvIT are correct.		

II. Annual Affirmations		
Particulars	***Regulation Number***	***Compliance status (Yes/No/NA)****refer note below*
Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility'	*2(1)(saa)*	Yes
Board composition	*4(2)(e)(v), 26G, 26H(1)*	No National Highways Infra Investment Managers Private Limited (acting in its capacity as Investment Manager to the National Highways Infra Trust ("Trust") had applied for various extensions to SEBI vide letter dated 23rd May, 2023, 31st July 2023, 29th September, 2023, 14th November, 2023, 15th January, 2024, 15th February, 2024 and 1st April, 2024, for compliance with the Regulation 4(2)(e)(v) and Regulation 26(H)(1) of SEBI (Infrastructure Investment Trusts) Regulation, 2014 ("InvIT Regulations"), which inter-alia provides for having half of the Board as Independent Directors and for the appointment of Women Independent Director on the Board of IM. SEBI has accepted the requests for extension for the appointment of Women Director, latest extension granted vide letter dated 4th April, 2024 valid till 30th April, 2024. However, it is to be noted that on 16th April, 2024, Ms. Usha Rao Monari has been appointed as a Women Independent Director on the board of the Company, and the Composition of the Board of Directors of IM Company is now in compliance with InvIT Regulations.

Meeting of board of directors	*26G*	Yes
Quorum of board meeting	*26H(2)*	Yes
Review of Compliance Reports	*26H(3)*	Yes
Plans for orderly succession for Appointments	*26G*	Yes
Code of Conduct	*26G*	Yes
Minimum Information	*26H(4)*	Yes
Compliance Certificate	*26H(5)*	Yes
Risk Assessment & Management	*26G*	Yes
Performance Evaluation of Independent Directors	*26G*	Yes
Recommendation of Board	*26H(6)*	Yes
Composition of Audit Committee	*26G*	Yes
Meeting of Audit Committee	*26G*	Yes
Composition of Nomination & Remuneration Committee	*26G*	Yes
Quorum of Nomination and Remuneration Committee meeting	*26G*	Yes
Meeting of Nomination & Remuneration Committee	*26G*	Yes
Composition of Stakeholder Relationship Committee	*26G*	Yes
Meeting of Stakeholder Relationship Committee	*26G*	Yes
Composition and role of Risk Management Committee	*26G*	Yes
Meeting of Risk Management Committee	*26G*	Yes
Vigil Mechanism	*26I*	Yes
Approval for related party Transactions	*19(3), 22(4)(a)*	Yes
Disclosure of related party transactions	*19(2)*	Yes
Annual Secretarial Compliance Report	*26J*	Yes
Alternate Director to Independent Director	*26G*	NA
Maximum Tenure of Independent Director	*26G*	Yes
Meeting of independent directors	*26G*	Yes
Familiarization of independent Directors	*26G*	Yes
Declaration from Independent Director	*26G*	Yes
Directors and Officers insurance	*26G*	Yes
Memberships in Committees	*26G*	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management Personnel	*26G*	Yes
Policy with respect to Obligations of directors and senior management	*26G*	Yes

Note

1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of InvIT Regulations, "Yes" may be indicated. Similarly, in case the InvIT has no related party transactions, the words "N.A." may be indicated.

2 If status is "No" details of non-compliance may be given here.

3 If the investment manager would like to provide any other information the same may be indicated here.

For **National Highways Infra Trust**

By Order of the Board

National Highways Infra Investment Managers Private Limited

Gunjan Singh

Compliance Officer

Compliance Report on Governance - Affirmations with Part C

1. Name of InvIT- National Highways Infra Trust (NHIT)
2. Name of the Investment manager - National Highways Infra Investment Managers Private Limited
3. Year ending - 31st March, 2024

Affirmations		
Broad heading	**Regulation Number**	**Compliance status**
Copy of annual report of the InvIT including balance sheet, profit and loss account, governance report, secretarial compliance report displayed on Website	26J, 26K and this Master Circular	Yes The Annual Report of the InvIT for the preceding FYs including balance sheet, profit and loss account is displayed on the website. Further, the Annual Report of the InvIT including balance sheet, profit and loss account, governance report, secretarial compliance report for the FY 2023-24 will be displayed on the website upon dispatch of the same to the Unitholders.
Presence of Chairperson of Audit Committee at the Annual Meeting of Unitholders	26G	NA (There was no regular chairperson appointed in Audit Committee at the time of Annual Meeting of Unitholders. Further, Mr. Pradeep Singh Kharola has been appointed as a Chairman of the Audit Committee w.e.f. 8th January, 2024.)
Presence of Chairperson of the nomination and remuneration committee at the Annual Meeting of Unitholders	26G	Yes
Presence of Chairperson of the Stakeholder Relationship committee at the Annual Meeting of Unitholders	26G	Yes
Whether "Governance Report" and "Secretarial Compliance Report" disclosed in Annual Report of the InvIT	26J and 26K	Since, the provision became applicable with effect from April 01, 2023, hence the "Governance Report" in accordance with Regulation 26K and "Secretarial Compliance Report" for the FY 2023-24 in accordance with Regulation 26J of SEBI InvIT Regulations, 2014, will be disclosed in the Annual Report for the FY 2023-24.

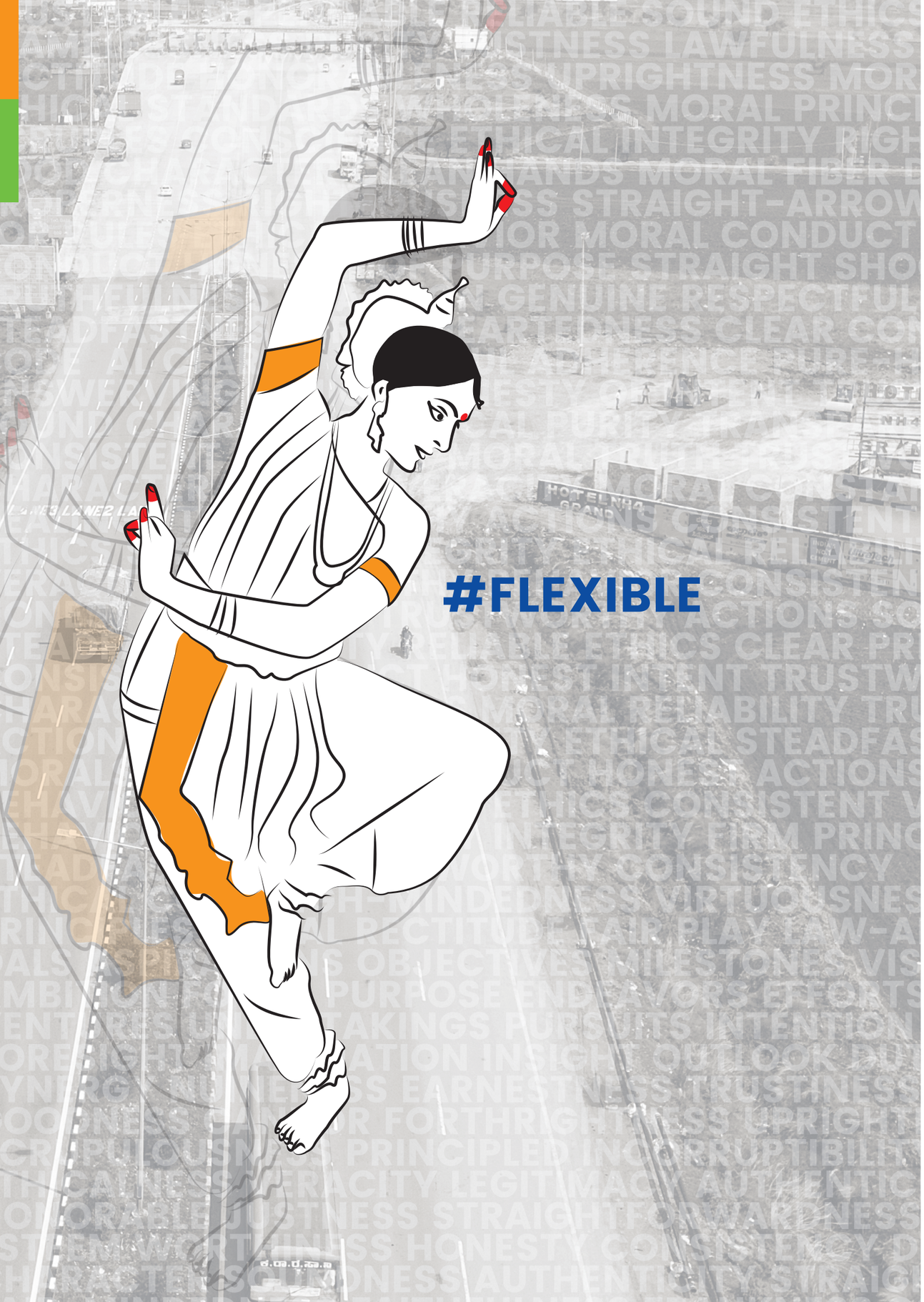
For **National Highways Infra Trust**

By Order of the Board

National Highways Infra Investment Managers Private Limited

Gunjan Singh

Company Secretary and Compliance Officer



OTHER DISCLOSURES

1. 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:

   Please refer to the Management Discussion and Analysis Report

2. Update on development of under-construction projects, if any:

   Presently, all assets under InvIT are operational assets. It is to be noted that NHAI started augmentation work to 6-lane configuration from 4-lane configuration for the Belgaum Kagal section from Nov 2023.

   The estimated construction period for the proposed capacity augmentation works is 2.5 years from the appointed date of the EPC contractor ie. October 2022.

   The initial improvement works (Civil & Allied Works) are under progress in five assets namely, Chittorgarh Bypass-Kota, Palanpur-AbuRoad-Swaroopganj, Agra Bypassm Shivpuri Jhansi & Borkhedi-Wadner-Kelapur. The works which are in various stages of completion are likely get completed in FY-25.

3. **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 year:**

   The Trust has during the year availed long term loans cumulating to ₹ 8,847 Crores from six banks/NBFCs for the purpose of investment by the Trust in the Project SPVs (NWPPL and NEPPL).

   Details of External Borrowings

(All amounts are in ₹ Crores)

Particulars	As on March 31, 2024 (Long Term Borrowing)	As on March 31, 2023 (Long Term Borrowing)
Carrying amount of debt at the beginning of the year	2,941.58	1,465.38
Add: - Additional borrowings during the year	8,847.00	1,500.00
Less: - Repayments during the year	(37.60)	(10.11)
Ind AS adjustments		
- Transaction Costs	(17.23)	(14.33)
- Unwinding of interest	0.74	0.64
Carrying amount of debt at the end of the year	**11,734.49**	**2,941.58**

(All amounts are in ₹ Crores)

As at March 31, 2024	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	10,248.10	100.54	268.62	9,878.94
Non-Convertible Debentures	1,486.39	-	-	1,486.39
Total	11,734.48	100.54	268.62	11,365.33

(All amounts are in ₹ Crores)

As at March 31, 2023	Carrying Amount	<1 Yr.	1-3 Yrs.	>3 Yrs.
Term Loan	1,455.70	20.00	60.00	1,375.70
Non-Convertible Debentures	1,485.88	-	-	1,485.88
Total	2,941.58	20.00	60.00	2,861.58

Credit rating

There has been no change in the credit ratings of the NHIT. As such the ratings have been confirmed by both the credit rating agencies as under:

India Rating & Research AAA

Care Ratings Limited AAA

Gearing Ratio:

Standalone Basis	As at March 31, 2024	As at March 31, 2023
Gearing Ratio	42.04%	25.59%

Consolidated Basis	As at March 31, 2024	As at March 31, 2023
Gearing Ratio	43.94%	26.95%

4. Disclosures as per SEBI Circular SEBI/HO/DDHS/DDHS-POD1/P/CIR/2023/172 dated 19th October, 2023 ("SEBI Large Corporate Circular")

NHIT, was classified as a Large Corporate for the FY 2023-24 as per Chapter XII of the SEBI Circular dated 10th August, 2021, as amended on 31st March, 2023 ("erstwhile SEBI Large Corporate Circular").

As per the erstwhile SEBI Large Corporate Circular, an entity on being classified as a Large Corporate, is required to raise 25% of its incremental borrowings over a contiguous block of three years.

During FY 2023-24, NHIT had raised incremental borrowings up to ₹ 8,847 Crores. However, as per the erstwhile SEBI Large Corporate Circular, NHIT, on being classified as a Large Corporate for the FY 2023-24, is required to raise 25% of its incremental borrowings for FY 2023-24 through debt securities within a block period of three financial years: 2023-24, 2024-25, and 2025-26.

As part of its funding strategy, NHIT aimed to meet this requirement by raising the requisite amount through debt securities, with all necessary stock exchange intimations made accordingly. Nevertheless, due to adjustments in funding and acquisition strategies, the proposal has been deferred to the next financial year.

NHIT remains committed to complying with the SEBI mandate and will ensure that the requisite amount of borrowings is raised through debt securities within the specified three-year period as per the SEBI Large Corporate Circular.

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

Please refer to the Management Discussion and Note no. 31 of the Consolidated Financial statements of NHIT.

6. a. Details of all related party transactions during the year, value of which exceeds five percent of value of the InvIT assets:

Standalone Basis

(All amounts are in ₹ Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
NHIT Western Projects Private Limited (NWPPL) (Formerly known as National Highways Infra Projects Private Limited (NHIPPL)		
Advancement of Long Term Loans to NHIPPL	189.00	2,849.67
NHIT Eastern Projects Private Limited ('NEPPL')		
Subscription of Share Capital of NEPPL by NHIT	2,406.10	-
Long Term Loans given to NEPPL	13,305.36	-

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

During FY 2023-24, the Project SPV-1, NHIT Western Projects Private Limited (NWPPL) (Formerly known as National Highways Infra Projects Private Limited (NHIPPL) has been issued the debt by NHIT amounting to ₹ 189.00 Crores for initial improvement works as per Facility Agreement.

Further during FY 2023-24, the Project SPV-2, NHIT Eastern Projects Private Limited (NEPPL) has been issued the debt amounting to ₹ 13,305.36 Crores for acquisition of Round 3 (R3) Assets.

7. Details of issue and buyback of units during the year:

NHIT during the current FY 2023-24 issued ₹ 58.58 Crore units through the Institutional and Private Placement route. No units were brought back during the year.

8. Brief details of material and price sensitive information:

During the period, 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.

9. Details of revenue during the year, project wise from the underlying projects:-

(All amounts are in ₹ Crores)

Particulars	As on March 31, 2024	As on March 31, 2023
Aburoad Swaroopganj	69.01	65.56
Belgam Kagal	110.12	128.74
Chitorgarh Kota	97.36	93.34
Kothakata Kurnool	192.85	171.46

Particulars	As on March 31, 2024	As on March 31, 2023
Palanpur Aburaod	97.55	92.33
Borkhedi Wadner	194.13	69.33
Raibha (Agra Bypass)	102.74	37.70
Raksha (Shivpuri Jhansi)	80.15	28.69
Total	**943.91**	**687.17**

10. The financial information of Investment Manager is not disclosed as there is no material erosion in the net worth as compared to the net worth of the financial statements of previous year, i.e. FY 2022-23.

11. Information of the contact person of the InvIT:

Ms. Gunjan Singh
Company Secretary and Compliance Officer
National Highways Infra Trust
G 5 & 6, Sector-10, Dwarka,
New Delhi - 110075
Tel: +91 11 25076536
E-mail: cs.nhim@nhit.co.in

NOTES

NOTES

1st Strategy Meet August – 2023 (Udaipur)

NATIONAL HIGHWAYS INFRA TRUST





Mr. Akhil Khare	Ms. Gunjan Singh	Mr. Pushkar Kulkarni	Mr. Shubhra Bhattacharya
Mr. Amrit Singha	Ms. Kavita Saha	Mr. Rabindra Mohan Das	Mr. Sarthak Sharma
Mr. Anurag Jain	Mr. Mathew George	Mr. Rajesh Kumar Singh	Mr. Saurabh Kumar Rai
Mr. Arun Kumar Jha	Mr. M P Sharma	Mr. Sumit Bose	Mr. S Arnipalli
Mr. Ashish Kumar Singh	Mr. Naveen Kumar	Mr. S N Roy	Mr. Sudhanshu Shukla
Mr. Debapratim Hajara	Mr. P S Kharola	Mr. Suresh Goyal	Mr. Sunil Kumar

National Highways Infra Trust

National Highways Infra Trust

Registered Office: NHAI Building, G-5 & 6, Sector-10, Dwarka, New Delhi-110075.

Tel: +011-25076536 | Email: nhit@nhit.co.in

Website: www.nhit.co.in