



Highways Infrastructure Trust
Principal place of business: 2nd Floor, Piramal Tower, Peninsula Corporate Park, Lower
 Parel, Mumbai 400 013, Maharashtra. **Tel No:** +91 7506333447

Email ID: Compliance.highwaysinit@highwayconcessions.com **Website:** www.highwaystrust.com **Registration:** Registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 on December 23, 2021 having registration number IN/InvIT/21-22/0019 **PAN:** AACTH5589F **Date and Place of Registration:**

Registered in the Republic of India as an irrevocable trust under the Indian Trusts Act, 1882 on December 03, 2021; Mumbai

Compliance Officer & Company Secretary of the Issuer: Kunjal Shah; **Tel. No.:** +91- 7506333447; **Email:** compliance.highwaysinit@highwayconcessions.com **Chief Financial Officer of the Issuer:** Abhishek Chhajjer; **Tel:** +91 9599062801; **E-mail:** abhishek.chhajjer@highwayconcessions.com

ISSUE OF SENIOR, SECURED, LISTED, RATED, TAXABLE, REDEEMABLE, NON-CONVERTIBLE DEBT SECURITIES ON A PRIVATE PLACEMENT BASIS
GENERAL INFORMATION DOCUMENT DATED JANUARY 08, 2024 BEARING REFERENCE NUMBER 001/ 2023-2024
This General Information Document does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities or commercial papers to be issued by the Highway Infrastructure Trust ("HIT" or the "Trust" or the "Issuer"). This General Information Document is issued in conformity with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI ILNCS Regulations") read with the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulation") and Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, ("SEBI InvIT Regulations")
GENERAL INFORMATION DOCUMENT DATED JANUARY 08, 2024 BEARING REFERENCE NUMBER 001/ 2023-2024
This General Information Document is in relation to total amount as mentioned in Key Information Document which the board of directors of the Investment Manager (or authorised committee thereof, subject to the relevant approval) approves to be raised by way of debt securities including debentures, bonds, non-convertible redeemable preference shares, such security as defined as debt securities under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (hereinafter cumulatively referred to as the ("Debt Securities"), and commercial papers etc. as may be approved by the board of directors during the period of 1 (one) year from the date of opening of the first offer of Debt Securities made under this General Information Document ("Validity Period"), by the Trust, on private placement basis and shall be read with the relevant Key Information Document(s) issued by the Issuer during the Validity Period. Provided that any issuance of commercial papers for refinancing/rollover of outstanding commercial papers at that point in time shall not be considered in the total amount referred to in the Key Information Document.
Please note that this General Information Document shall also govern the issue of Commercial Papers which shall be issued/ offered by the Trust during the validity of this General Information Document. It is hereby clarified that all terms set out under this General Information Document which are specific to and / or applicable to non-convertible securities will not be applicable to the Commercial Papers, unless specified otherwise herein or which may be applicable pursuant to applicable law. All terms in relation to commercial papers proposed to be issued under this General Information Document shall be captured under the relevant Key Information Document to be issued by the Trust for each issuance of the Commercial Papers, respectively.
Otherwise than as specified in respect of Commercial Papers, the term "issue"/ "Issue" as used in this General Information Document shall mean the issue of the Debt Securities by the Trust be, and the terms "issue", "issuance", "Issue" may be construed accordingly, as the context may require.
CREDIT RATING(S)
Please refer to the relevant Key Information Document.
LISTING
The Debt Securities/ Commercial Papers are proposed to be listed on the wholesale debt market of National Stock Exchange of India Limited ("NSE") and/or BSE Limited ("BSE") as set out in relevant Key Information Document. The Issuer intends to use the EBP platform for electronic book mechanism of the NSE and/or BSE for issuance of the Debentures on private placement basis.
The Issuer shall apply for the in-principle approval with the Stock Exchange(s) for issuance of Debt Securities. The in-principle approval letter shall be identified in the Key Information Document.
Further, the Issuer has maintained/will maintain the Recovery Expense Fund with the BSE / NSE, as may be required.

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ISSUE SCHEDULE	
Date of Opening of the Issue	The issue opening date with respect to each Tranche/ Series of Debentures or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Date of Closing of the Issue	The Issue Closing Date with respect to each Tranche/ Series of Debentures or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Date of Earliest Closing of the Issue	The date of earliest closing of the Issue with respect to each Tranche/ Series of Debentures or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Pay-in Date	The pay-in date with respect to each Tranche/ Series of Debentures or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures
Deemed Date of Allotment	The deemed date of allotment with respect to each Tranche/ Series of Debentures or Commercial Papers will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
DEBENTURE TRUSTEE FOR THE DEBENTURE HOLDERS	REGISTRAR TO THE ISSUE
Please refer to the relevant Key Information Document.	Please refer to the relevant Key Information Document.
CREDIT RATING AGENCY	
Please refer to the relevant Key Information Document.	
COMPANY SECRETARY & COMPLIANCE OFFICER AND CHIEF FINANCIAL OFFICER	LEGAL COUNSEL
Kunjal Shah Designation: Company Secretary & Compliance Officer Address: Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra Phone No.: + 91- 7506333447 Email ID: compliance.highwaysinvt@highwayconcessions.com Abhishek Chhajjer Designation: Chief Financial Officer (“CFO”) Address: Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400098 Phone No.: +91 9599062801 Email ID: abhishek.chhajjer@highwayconcessions.com	Please refer to the relevant Key Information Document.
STATUTORY AUDITORS	
Walker Chandiok & LLP, Chartered Accountants Address: 21 st Floor, DLF Square Jacaranda Marg, DLF Phase II Gurugram, Haryana- 122002 Contact Person: Manish Agarwal Contact No.: +91- 124 462 8000 Email: manish.agarwal@walkerchandiok.in Website: www.walkerchandiok.in ICAI Firm Registration Number: 001076N/N500013	

Peer Review Certificate Number: 014158	
DETAILS OF SPONSOR	
Name	Galaxy Investments II Pte. Ltd. (“ Galaxy ” or the “ Sponsor ”)
Registered Address	12 Marina View, #11-01 Asia Square Tower 2, Singapore 018961
Experience in the business	<p>Galaxy is engaged in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the “infrastructure” sector.</p> <p>Brief description of the Group As on date, Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. Galaxy is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc and its subsidiaries (“KKR”). Founded in 1976, KKR is a leading global investment firm, with approximately US\$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR’s insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities.</p>
Other ventures	<p>The Sponsor’s current investments are as follows:</p> <ul style="list-style-type: none"> • Highway Concessions One Private Limited (the investment manager of the Highways Trust) • Highways Infrastructure Trust • Bangalore Elevated Tollway Private Limited (the sponsor has agreed to transfer 100% interest in this company to the Highways Trust by way of an agreement dated August 30, 2023, subject to terms and conditions therein). <p>The sponsor is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR (“KKR” means KKR & Co. Inc., and its subsidiaries (unless the context requires otherwise).</p> <p>KKR’s current Infrastructure investments in India include:</p> <ul style="list-style-type: none"> • India Grid Trust • Highway Concessions One Private Limited • Hero Future Energies Global Ltd. • Serentica Renewables India Private Limited • LEAP India Private Limited

Business and Financial activities	<p>In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and more than US\$50 billion in assets under management within infrastructure.</p> <p>Today, KKR's Infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends and may identify and prioritize investments in other sectors as conditions change or cycles evolve.</p> <p>KKR has invested or committed over US\$6.7 billion of equity in private equity and infrastructure deals in India since 2010 with over 20 investments made and more than a dozen active portfolio companies today. KKR believes the long-term economic outlook in India is positive given structural reforms, despite recent volatility and continue to see attractive investment opportunities in the country.</p> <p>India is one of the key markets that KKR's Asia Pacific Infrastructure strategy will actively seek to invest in. KKR believes that population growth is expected to drive significant demand for infrastructure in India over the next 25 years. This, combined with stable macroeconomic indicators, structural reforms, thrust on infrastructure development and constructive FDI regime will continue to result in high foreign capital inflows and provide the needed impetus to make India a favoured infrastructure investment destination.</p>
Registration Number	202120533M
Permanent Account Number	AAJCG1844Q
ELIGIBLE INVESTORS	
<p>This General Information Document and the contents hereof are restricted to only those recipients who are permitted to receive it as per extant regulation and laws and only such recipients are eligible to apply for the Debentures or Commercial Papers. The categories of investors eligible to subscribe to the Debentures issued under each Tranche/ Series will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/Series of Debentures or Commercial Papers.</p> <p>Note: Each of eligible investor(s) is required to check and comply with extant rules/regulations/guidelines, etc.governing or regulating their investments as issued by their respective regulatory authorities, and the Trust is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Trust, required to check or confirm the same.</p> <p>Please also refer to the head of 'Who Can Apply' under Section VII below.</p>	
ISSUE DETAILS	
Description of Security	Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities
Coupon Rate	The Coupon Rate with respect to each Tranche/ Series of Debentures will be identified in the relevant Key Information Document.
Coupon Payment Frequency	The coupon payment frequency with respect to each Tranche/ Series of Debentures will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Redemption Date	The Redemption Date with respect to each Tranche/ Series of Debentures will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.

Redemption Amount	The Redemption Amounts with respect to each Tranche/ Series of Debentures will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Details of Debenture Trustee	Please refer to the relevant Key Information Document.
Base Issue and Green Shoe Option	The base issue size and green shoe option (if applicable) in relation to each Tranche/ Series of Debentures will be identified in the Key Information Document.
Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters	Details about underwriting with respect to each Tranche/ Series of Debentures will be identified in the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made the General Information Document and Key Information Document;	Not applicable, unless otherwise provided in the Key Information Document for the relevant series.
ELECTRONIC BOOK MECHANISM AND DETAILS PERTAINING TO THE UPLOADING THE GENERAL INFORMATION DOCUMENT ON THE ELECTRONIC BOOK PROVIDER PLATFORM.	
This issuance of the Debentures would be under the electronic book mechanism (“EBP”) on private placement basis as per Chapter VI of Master Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021, as amended (“ Master Circular ”) read with the Operating Guidelines for NSE Electronic Bidding Platform issued by NSE vide circular number 16/2022 dated December 28, 2022 (“ NSE EBP Guidelines ”) and/or Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism issued by BSE vide notice number 20220523-17 dated May 23, 2022 (“ BSE EBP Guidelines ”), as applicable. The Issuer intends to use the bid bond platform of NSE and/or BSE for this Issue, as applicable. This General Information Document is in accordance with all applicable laws, rules, regulations and guidelines.	
Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the placement memorandum on the Electronic Book Provider Platform, if applicable.	Please refer to the relevant Key Information Document.
Bid Opening Date and Bid Closing Date	As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Minimum Bid Lot	As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Manner of bidding in the Issue (Open or Closed Bidding)	As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Manner of Allotment in the Issue (Uniform Yield Allotment or Multiple Yield Allotment)	As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.
Manner of Settlement (through Clearing Corporation or through Escrow Bank Account of the Issuer)	As per the process prescribed by the NSE EBP Guidelines or BSE EBP Guidelines (as applicable) and mentioned in the relevant Key Information Document.

SECTION I

DEFINITIONS

This General Information Document uses certain definitions and abbreviations which, unless the context indicates or implies otherwise, have the meaning as provided below. References to any legislation, act or regulation shall be to such term as amended.

Term	Description
Allotment/Allot	The issue and allotment of the Debentures/Commercial Papers (as applicable) to the successful Applicants pursuant to this Issue.
AADT	Annual Average Daily Traffic
Applicable Law	Shall mean any statute, national, state, provincial, local, municipal, foreign, international, multinational or other law, treaty, code, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority, having jurisdiction over the matter in question, whether in effect as of the date of this General Information Document or thereafter and in each case as amended.
Applicant or Investor	A person who makes an offer to subscribe to the Debentures or Commercial Papers pursuant to the terms of this General Information Document, relevant Key Information Document and the Application Form.
Application Form	The form with which the Applicant shall make an offer to subscribe to the Debentures and which will be considered as the application for Allotment of Debentures.
Beneficial Owner	Person(s) holding the Debt Securities or Commercial Papers and whose name(s) is recorded as "Beneficial Owner" with the Depository (for the Debt Securities or Commercial Papers held in dematerialized form) as defined under clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended.
Directors/ Board of Directors / Board	The directors constituting the Board of the Issuer's Investment Manager acting on behalf of the Trust.
Business Day	In respect of any payment of Coupon or Redemption Amount(s), a day other than a Sunday or a holiday (with the meaning of Chapter III of the SEBI Master Circular; and (ii) for any other purpose, a day on which the banks and money market are open for general business in Mumbai (other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Mumbai, India, or a Saturday or Sunday)
CDSL	Central Depository Services (India) Limited
Commercial Paper(s)	Commercial Papers to be issued in one or more offers/ issuances under this General Information Document.
Commercial Paper Holder(s) or Holders of Commercial Papers	Shall mean the several persons who are for the time being and who will become the holders of the Commercial Papers and shall include the beneficial owner(s) of the Commercial Papers in dematerialized form as per the list of beneficial owners prepared and maintained by the Depositories as per the provisions of Depositories Act, 1996.
Coupon	Means the 'Coupon' as set out in the relevant Key Information Document.
"Coupon Rate" or "Interest Rate" or "Redemption Premium Rate"	Means the 'Coupon Rate' as set out in the relevant Key Information Document.
Covid-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Credit Rating Agency(ies)	Means the 'Credit Rating Agencies' as set out in the relevant Key Information Document.
Debentures	Secured, rated, listed, redeemable, non-convertible debentures to be issued in single or multiple series (as the context may require, the debt securities constituting any such series)
Debenture Trustee/ Trustee	Refer to the relevant Key Information Document.
Debt Securities / Debentures / NCDs	Means non-convertible debt securities with a fixed maturity period which create or acknowledge indebtedness and includes debentures, bonds or any other security whether constituting a charge on the assets/properties or not but excludes security receipts, securitized debt instruments, money market instruments regulated by the

	Reserve Bank of India, and bonds issued by the Government or such other bodies as may be specified by the Board.
Deemed Date of Allotment	Shall mean in relation to each Series/ Tranche, the date as set out in the relevant Key Information Document, being the date on which the Debentures under the relevant Series/ Tranche are deemed to be Allotted to the Debenture Holders.
Debenture Holder(s) or Holders of Debentures or Beneficial Owners	Shall mean the several persons who are for the time being and who will become the holders of the Debentures and whose names are and will be entered in the register of debenture holders as maintained by the Trust as debenture holders and shall include the beneficial owner(s) of the Debentures in dematerialized form as per the list of beneficial owners prepared and maintained by the Depositories as per the provisions of Depositories Act, 1996.
Debenture Trust Deed/Debt Security Trust Deed / Debenture Security Trust Deed / DTD	Shall mean debenture trust deed/debt security trust deed entered into by the Trust and the Debenture Trustee in relation to the Debentures, as the context may require
Depository	Shall mean the depositories with whom the Trust has made arrangements for dematerializing the Debentures or Commercial Papers, being CDSL and NSDL.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant	Shall mean a Depository Participant as defined under the Depositories Act, 1996.
Due Date	Means any date on which any payment in relation to the Debentures becomes due and payable to the Debenture Holder(s)/ or Commercial Papers Holder(s) in accordance with the terms of this General Information Document and the Key Information Document.
EBP Platform	Electronic Book Provider Platform.
Eligible Investor	Means the 'Eligible Investors', as defined in the Key Information Document for the relevant series.
Erstwhile Investment Manager	Virescent Infrastructure Investment Manager Private Limited
Erstwhile Project Manager	Virescent Renewable Energy Project Manager Private Limited
Financial Indebtedness	Means the 'Financial Indebtedness', as defined in the Key Information Document for the relevant series
FY or Financial Year	Shall mean the period commencing from April 1 of one year and ending on March 31 of the immediately next year.
GDP	Gross Domestic Product
GoI	Government of India
HAM	Hybrid Annuity Model
HoldCo or Holding Company	Each holding company of the Issuer within the meaning of the Regulation 29(sa) of SEBI InvIT Regulations.
Investment Manager or HC1	According to Regulation 2(1)(zf) of SEBI InvIT Regulation, investment manager means a company or LLP or body corporate which manages assets and investments of the Trust and undertakes activities of the InvIT as specified under Regulation 10 of SEBI InvIT Regulation. As on date, Highway Concessions One Private Limited is the Investment Manager of the Trust and was appointed at the position with effect from November 23, 2022 via resolution passed by unitholders on November 14, 2022. "Investment Manager" shall include such entity as may be appointed in compliance with the Debt Security Trust Deed and SEBI InvIT Regulations, and shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors, substitutes and permitted assigns
Issue	Means issue of a series of the debentures/commercial papers by the Issuer pursuant to the terms of this General Information Document and the applicable Key Information Document.
Issue Document/ Offer Document/ Information Memorandum	Shall mean, collectively, this General Information Document and the relevant Key Information Document to be issued with respect to relevant Tranche/ Series of Debt Securities or Commercial Papers.
Issuer, Highways Trust, or the Trust	Highways Infrastructure Trust, registered in the Republic of India as an irrevocable trust on December 03, 2021, at Mumbai under the Indian Trusts Act, 1882 and as an infrastructure investment trust on December 23, 2021 at Mumbai under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.
Trust Deed	The trust deed dated December 3, 2021, amended/amended and restated from time to time as entered into between inter alia the Sponsor and the InvIT Trustee.
LCV	Light Commercial vehicle
Majority Holder(s) and Super	As mentioned in relevant Key Information Document

Majority Holder(s)	
Master Circular for Debenture Trustees or Master Circular for Trustees	SEBI circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended from time to time
MPRDC	Madhya Pradesh Road Development Corporation Limited
NCDs	Non-Convertible Debentures.
NHAI	National Highways Authority of India
NRI	Non-Resident Indians
NSDL	National Securities Depository Limited
O&M Agreement (s)	The various agreements entered into by the SPVs with the O&M Contractors for the operations, maintenance and management activities of the respective SPVs
O&M Contractor(s)	The various third-party contractors undertaking the operations, maintenance and management activities of the SPVs in accordance with the O&M Agreements
Parties of the Trust	Collectively, the Sponsor, the Trustee, the Investment Manager and the Project Manager
PAN	Permanent Account Number
Project Manager	HC One Project Manager Private Limited or any other entity as may be appointed in compliance with the Debt Security Trust Deed and SEBI InvIT Regulations, and shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors, substitutes and permitted assigns
General Information Document	Shall mean this document.
Project SPVs	Shall mean all of the below SPVs– Godhra Expressways Private Limited (“ GEPL ”), Jodhpur Pali Expressway Private Limited (“ JPEPL ”), Dewas Bhopal Corridor Private Limited (“ DBCPL ”), Ulundurpet Expressways Private Limited (“ UEPL ”), Nirmal BOT Private Limited, (formerly known as Nirmal BOT Limited) (“ NBPL ”) and Shillong Expressway Private Limited (“ SEPL ”)
Other SPVs	Collectively, each company/body corporate (other than the Project SPVs) over which the Issuer or any of the Holding Companies has a direct or indirect equity interest, which (X) ultimately holds road assets and (Y) qualifies as an ‘SPV’ under the SEBI InvIT Regulations and “ Other SPV ” shall mean any one of them. As further detailed in relevant key Information Document
SPVs	Project SPVs and the Other SPVs
PWD(R)	Public Works Department Rajasthan
RBI	Reserve Bank of India
Record Date	The ‘Record Date’, as defined in the Key Information Document for the relevant series of Debentures or Commercial Papers
Recovery Expense Fund	The Issuer shall ensure that the recovery expense fund is created, maintained and utilised by the Issuer in accordance with the relevant SEBI guidelines and circulars.
Redemption	Shall have the meaning ascribed to it in the Section VI in this General Information Document.
Redemption Amount	Shall mean in respect of each Debenture or Commercial Paper, the amount to be paid by the Trust to the Debenture Holder(s) at the time of redemption of the Debentures (including any amount payable on account of any early redemption) to be calculated in the manner set out in the relevant Key Information Document and shall include principal amounts, redemption premium (as may be applicable), interest and other amounts, if any, in respect of the Debentures as per the relevant Key Information Document.
Redemption Date	Means the date on which the redemption of the Debentures/Commercial Papers shall be made in the manner specified in the Key Information Document for the relevant Tranche of the Debentures/Commercial Papers provided that the Debentures may also be redeemed on an early redemption date by the Trust if so specified in the Key Information Document for the relevant respective Tranche of the Debentures.
Register of Debenture Holders or Register of Bond Holders	Shall have the meaning ascribed to it in the Section VI in this General Information Document.
Registrar for the Issue	Link Intime India Private Limited
Secured Property	Shall mean all properties/ assets of the Trust or any other person, whether moveable or immovable, tangible or intangible, over which security interest has been created in terms of the relevant Transaction Documents for securing the obligations of the Trust in relation to the Debentures including the Hypothecated Property and the Mortgaged

	Property.
SEBI	Securities and Exchange Board of India.
SEBI ILNCS Regulation	Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021, as amended from time to time
SEBI INVIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time
SEBI Master Circular	Master Circular Dated August 10, 2021 Bearing Reference Sebi/Ho/Ddhs/Pod1/P/Cir/2023/119 Titled “Master Circular For Issue And Listing Of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities And Commercial Paper” as amended from time to time
SEBI Master Circular for InvITs	Master circular for infrastructure investment trusts bearing number SEBI/HO/DDHS/DDHS_Div3/P/CIR/2022/53 dated April 26, 2022 issued by SEBI, as amended from time to time
Security Interest	Shall mean the security created/ to be created in favour of the Debenture Trustee for securing the obligations of the Trust in relation to the Debentures.
Sponsor	Galaxy Investments II Pte. Limited, a company incorporated under the laws of Singapore, having its registered office 12 Marina View, #11-01 Asia Square Tower 2 Singapore 018961 or such entity as is appointed in accordance with the Trust Deed.
Statutory Auditor	Walker Chandio & Co LLP
Key Information Document(s)	Shall mean the respective placement memorandum that shall prescribe the terms and conditions as may be applicable to a particular Tranche Issue.
TDS	Tax Deducted at Source
Tranche Issue or Tranche or Series of Debenture	Shall mean any of the tranche/ series, under which the Debentures are to be issued in terms of this General Information Document by the Trust, as more particular identified in each Key Information Document. It is clarified that each Tranche may be further sub-divided in sub tranches/ series and issued.
Traffic Study Report or Traffic Report	The traffic reports prepared by the Traffic Study Consultant for each of the relevant Highways Project SPVs dated April 2023 for UEPL, JPEL, GEPL, DBCPL and dated June 2023 for UTPL available at https://highwaystrust.com/traffic-reports/ .
InvIT Trustee	Axis Trustee Services Limited
Unitholders	Any person who owns any Unit in the Trust
We or us or our or Group	Highways Infrastructure Trust

SECTION II

RISKS IN RELATION TO THIS ISSUE
No assurance can be given regarding any active or sustained trading in the Debentures/Commercial Papers securities of the Issuer or regarding the price at which such securities will be traded after listing.
GENERAL RISKS
Investment in non-convertible securities or commercial papers is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this issue. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section III of this General Information Document and Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or commercial papers or investor's decision to purchase such securities.
ISSUER'S ABSOLUTE RESPONSIBILITY
The Trust, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document, read together with the relevant Key Information Document, contains all information with regard to the Issuer and the Issue which is material in context of the Issue, that the information contained in this General Information Document read together with the relevant Key Information Document is true and fair in all material respects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this General Information Document read together with the relevant Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
The Issuer has no side letter with any debenture holder except the one(s) disclosed in the General Information Document and/or in the Key Information Documents. Any covenants later added and not covered in General Information Document or Key Information Documents shall be disclosed on the website of the stock exchange where the Debentures are listed.
GENERAL DISCLAIMER

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT TO THE BSE/ NSE OR ANY OTHER AUTHORITY SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY BSE/NSE OR ANY OTHER AUTHORITY. BSE/ NSE OR ANY OTHER AUTHORITY DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE ARRANGER (IF ANY), HAS NOT CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS.

The Issue described under the General Information Document has been authorised by the Issuer through a resolution of the Board of Directors of the Investment Manager dated January 05, 2024 as annexed in Annexure IV, and the resolution of the Unitholders of the Issuer for approving the borrowing limit dated July 04, 2023 as annexed in Annexure V, or such other resolutions for a series of Debt Securities as shall be annexed to the Key Information Document for such series.

In terms of the SEBI InvIT Regulations, the Issuer has been authorised to borrow within the overall borrowing limits of Issuer, on such terms and conditions as the Board of Directors may think fit.

The General Information Document contains relevant information and disclosures required for the purpose of issuing of the Debt Securities. Any application by a person to whom the General Information Document has not been sent by the Issuer shall be rejected without assigning any reason.

This General Information Document is neither a prospectus nor a statement in lieu of prospectus. The NCDs or Commercial Papers are proposed to be listed on the Wholesale Debt Market Segment of NSE and/or BSE as applicable and the issue(s) are being made strictly on private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. Nothing in this document shall constitute or be deemed to constitute an offer or an invitation to subscribe to the debentures to the public in general. Apart from this General Information Document and the relevant Key Information Document, no offer document or prospectus has been prepared in connection with the offering of this Issue, nor is such a General Information Document required to be registered under the applicable laws. Accordingly, this General Information Document has neither been delivered for registration nor is it intended to be registered. The contents of this General Information Document are intended to be used only by the Eligible Investors who have access to this General Information Document, in line with extant law/regulation. It is not intended for distribution to any other person and should not be reproduced by the recipient. The person to whom access of the General Information Document and the Key Information Document is provided would alone be entitled to apply for the Debentures or Commercial Papers. No invitation is being made to any persons other than those to whom the Application Forms along with this General Information Document/ Key Information Document have been addressed. The person who has legitimate access to the General Information Document shall maintain utmost confidentiality regarding its contents and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer.

This General Information Document has been prepared to provide general information about the Issuer to potential Investors who are willing and are eligible to subscribe to the Debt Securities or Commercial Papers. This General Information Document does not purport to contain all the information that any potential investor may require. Neither this General Information Document nor any other information supplied in connection with the Debentures should be considered as a recommendation to purchase or subscribe to any Debt Securities or Commercial Papers. Each Investor contemplating the purchase of any Debt Securities or Commercial Papers should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such investor's particular circumstances. It is the responsibility of potential Investors to also ensure that they will sell these debentures in accordance with this General Information Document and applicable laws, so that the sale does not constitute an offer to the public within the meaning of the Companies Act, 2013 or the SEBI INVIT Regulations or SEBI ILNCS Regulations.

The provisions (as may be mutually agreed between the Issuer and respective holders of Debt Securities or Commercial Papers from time to time) contained in the respective Key Information Documents shall be read in conjunction with this General Information Document and in case of any inconsistency between the Key Information Document and the General Information Document; contents of the Key Information Document shall prevail to the extent of such inconsistency.

The Issuer is seeking offer for subscription of Debt Securities and Commercial Papers. The General Information Document does not however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the General Information Document comes, is required to inform himself about and to observe any such restrictions.

DISCLAIMER CLAUSE FOR STOCK EXCHANGES AND SEBI

Issuance of Debentures or Commercial Papers (in one or more Tranches) on private placement basis under this General Information Document is proposed to be listed on the NSE and/ or BSE and copy of this General Information Document will be filed with the NSE and/ or the BSE in terms of SEBI ILNCS Regulations, 2021, as amended. It is to be distinctly understood that submission of the General Information Document to NSE and/or BSE should not in any way be deemed or construed to mean that the General Information Document has been cleared or approved by NSE and/or BSE and; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document, nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the NSE and/or BSE; nor does it take any responsibility for the financial or other soundness of the Issuer, its Sponsor, its management.

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

DISCLAIMER CLAUSE OF THE CREDIT RATING AGENCY

Rating by the Credit Rating Agency/ies ("CRA/Rating Agencies") reflects current opinion of the CRA on the likelihood of the obligations under the rated instruments and does not constitute an audit of the rated entity by the CRA. The ratings are based on information provided by the Issuer or obtained by the CRA from sources it considers reliable. CRA does not guarantee the completeness, adequacy or the accuracy of the information on which the rating is based. A rating by CRA is not a recommendation to buy or sell or hold the rated instrument. It does not comment on the market price or suitability for a particular investor. CRAs have a practice of keeping all the ratings under surveillance and ratings are revised as and when circumstances so warrant. CRA are not responsible for any errors and especially state that they have no financial liability whatsoever to the subscribers / users/ transmitters / distributors of their ratings. CRAs or their associates may have other commercial transactions with the Issuer. CRAs reserve the right to withdraw or revise the ratings / outlook assigned to the Debentures or Commercial Papers at any time, on the basis of new information or unavailability of information or other circumstances which CRA believes may have impact on the ratings.

DISCLAIMER CLAUSE OF RBI

The Debt Securities or Commercial Papers have not been recommended or approved by RBI nor does RBI guarantee the accuracy or adequacy of this General Information Document. It is to be distinctly understood that this General Information Document should not, in any way, be deemed or construed that the Debt Securities or Commercial Papers have been recommended for investment by RBI. Further, RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debt Securities or Commercial Papers being issued by the Issuer or for the correctness of the statements made or opinions expressed in the General Information Document. Potential Investors may make investment decisions in respect of the Debt Securities or Commercial Papers offered in terms of this General Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing /repayment of such investment.

DISCLAIMER CLAUSE OF THE TRUST

The Trust has certified that the disclosures made in this General Information Document and the relevant Key Information Document are adequate and in conformity with SEBI guidelines in force for the time being. This requirement is to facilitate Investors to take an informed decision for making an investment in the proposed Issue. The Trust accepts no responsibility for statements made otherwise than in this General Information Document and the relevant Key Information Document or any other material issued by or at the instance of the Trust in connection with the issue of the Debentures/Commercial Papers and that anyone placing reliance on any other source of information would be doing so at their own risk. The Issuer accepts no responsibility for statements made other than in this General Information Document and the relevant Key Information Document or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Debentures/Commercial Papers. Any person placing reliance on any other source of information would be doing so at such person's own risk.

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

ELIGIBILITY OF THE ISSUER TO COME OUT WITH THE ISSUE

AS ON THE DATE OF THIS GENERAL INFORMATION DOCUMENT:

- (i) THE ISSUER AND ITS SPONSOR, INVESTMENT MANAGER AND INVIT TRUSTEE HAVE NOT BEEN DEBARRED FROM ACCESSING THE SECURITIES MARKET OR DEALING WITH SECURITIES UNDER ANY ORDER OR DIRECTIONS PASSED BY SEBI;
- (ii) NONE OF THE SPONSOR, INVIT TRUSTEE AND INVESTMENT MANAGER OR BOARD OF THE DIRECTORS IS A SPONSOR OR ON THE BOARD OF ANOTHER ENTITY WHICH IS DEBARRED FROM ACCESSING THE CAPITAL MARKET OR DEALING IN SECURITIES BY SEBI;
- (iii) NONE THE ISSUER, ITS SPONSOR, INVESTMENT MANAGER AND INVIT TRUTTEE OR THE BOARD OF

<p>DIRECTORS IS A WILFUL DEFAULTER;</p> <p>(iv) NONE OF THE INVESTMENT MANAGER, INVIT TRUSTEE OR THE BOARD OF DIRECTORS IS A WILFUL DEFAULTER OR IS A SPONSOR OR ON THE BOARD OF ANOTHER ENTITY WHICH IS A WILFUL DEFAULTER;</p> <p>(v) NONE OF ITS SPONSOR, INVIT TRUSTEE, INVESTMENT MANAGER OR BOARD OF DIRECTORS IS A FUGITIVE ECONOMIC OFFENDER; AND</p> <p>NO FINES OR PENALTIES LEVIED BY SEBI /STOCK EXCHANGES ARE PENDING TO BE PAID BY THE ISSUER AT THE TIME OF FILING THE GENERAL INFORMATION DOCUMENT.</p>
<p style="text-align: center;">DISCLAIMER IN RESPECT OF JURISDICTION</p>
<p>Issue of Debentures/Commercial Papers have been/will be made in India to Investors as specified under the head “Who Can Apply” under Section VII of this General Information Document. This General Information Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures/Commercial Papers offered hereby to any person who does not have access to the documents or who is not eligible under extant regulation/ law. The Debentures/Commercial Papers are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising in respect thereof will be subject to the jurisdiction of the courts and tribunals of Delhi or such jurisdiction as mentioned in the relevant Key Information Document.</p>
<p style="text-align: center;">FORCE MAJEURE</p>
<p>The Trust reserves the right to withdraw the Issue at any time or any Tranche under the Issue prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Trust will refund the application money, if any, collected in respect of that Tranche without assigning any reason.</p>
<p style="text-align: center;">ISSUE OF DEBENTURES/COMMERCIAL PAPERS IN DEMATERIALIZED FORM</p>
<p>The Debentures/Commercial Papers will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures/Commercial Papers in dematerialised form. Investors will have to hold the Debentures/Commercial Papers in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures/Commercial Papers Allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the Allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money. The Issuer shall ensure the Debt Securities/Commercial Papers are credited to the demat accounts of the Debenture Holders/Commercial Paper Holder(s), within the time period set out in the SEBI ILNCS Regulations read with SEBI Master Circular.</p>
<p style="text-align: center;">EACH PERSON GETTING ACCESS TO THIS GENERAL INFORMATION DOCUMENT ACKNOWLEDGES THAT</p>
<p>Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein, and such person has not relied on any intermediary which may be associated with issuance of Debentures/Commercial Papers in connection with investigation of the accuracy of such information or investment decision. The Issuer does not undertake to update the information in this General Information Document to reflect subsequent events after the date of the General Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither this General Information Document and the respective Key Information Document nor any sale of Debentures/Commercial Papers made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. This General Information Document and the respective Key Information Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this General Information Document and the respective Key Information Document in any jurisdiction where such action is required. The distribution of this General Information Document and the respective Key Information Document and the offering and sale of the Debentures/Commercial Papers may be restricted by law in certain jurisdictions. Persons into whose possession this comes are required to inform them about and to observe any such restrictions. Access to the General Information Document is provided to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.</p>
<p style="text-align: center;">CONFIDENTIALITY</p>
<p>The information and data contained herein is on a strictly private and confidential basis. By obtaining access to this General Information Document, each recipient agrees that neither it nor any of its employees, agents or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This General Information Document must not be photocopied, reproduced, extracted or distributed in any manner whatsoever, in full or in part to any person other than the recipient without the prior written consent of the Trust. If at any time any such reproduction or disclosure is made and the Trust suffers any loss, damage or incurs liability of any kind whatsoever arising out of or in connection with any such reproduction or disclosure, the recipient of this General Information Document breaching the restriction on reproduction or disclosure agrees to hold harmless and indemnify the Trust from and against any such loss, damage or liability.</p>
<p style="text-align: center;">FORWARD-LOOKING STATEMENTS</p>
<p>While no forecasts or projections relating to the Issuer's financial performance are included in this General Information Document, this document contains certain “forward-looking statements” including words like “intends”, “believes”,</p>

“expects” and other similar expressions or variations of such expressions. These statements are primarily meant to give prospective Investors an overview of the Issuer's future plans, as they currently stand. The Issuer operates in a highly competitive, regulated and ever-changing business environment, and a change in any of these variables may necessitate an alteration of the Issuer's plans. Further, these plans are not static, but are subject to continuous internal review, and may be altered if the altered plans suit the Issuer's needs better. Further, many of the plans may be based on one or more underlying assumptions (all of which may not be contained in this General Information Document) which may not come to fruition. Thus, actual results may differ materially from those suggested by the forward-looking statements.

The Issuer cannot be held liable by estoppels or otherwise for any forward-looking statement contained herein. All statements contained in this General Information Document that are not statements of historical fact constitute “forward-looking statements” and are not forecasts or projections relating to the Issuer's financial performance. All forward-looking statements are subject to risks, uncertainties and assumptions that may cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that may cause actual results to differ materially from the Issuer's expectations include, among others, the risk factors set out in **Section III** (Risks Factors) of this General Information Document. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. The forward-looking statements made in this General Information Document speak only as of the date of this General Information Document. Neither the Issuer nor its Directors nor any of the Issuer's affiliates have any obligation, or intention, to update or otherwise revise any forward-looking statement to reflect circumstances arising after the date hereof or to reflect the events occurring after the date hereof, even if the underlying assumptions do not come to fruition and the Issuer does not assume any responsibility to do so.

LIMITS ON DISTRIBUTION

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

SECTION III

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Debt Securities. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Eligible Investors should carefully consider all the information in the Issue Document, including the risks and uncertainties described below, before making an investment in the Debt Securities. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE DEBENTURES/ COMMERCIAL PAPERS. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE DEBENTURES/ COMMERCIAL PAPERS OR THE INVESTORS' DECISION TO PURCHASE THE DEBENTURES/ COMMERCIAL PAPERS. THIS GENERAL INFORMATION DOCUMENT IS NOT AND DOES NOT PURPORT TO BE IN THE NATURE OF INVESTMENT ADVICE.

A. INTERNAL RISK FACTORS

The following are the risks relating to the Issuer and the Debt Securities envisaged by the Investment Manager of the Trust. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Debt Securities. These risks may include, among others, business aspects, risk associated with bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Eligible Investors should carefully consider all the information in this General Information Document, including the risks and uncertainties described below, before making an investment in the Debt Securities. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

- 1) *This General Information Document includes certain unaudited financial information in relation to the Trust which has been subjected to limited review. Reliance on such information should, accordingly, be limited. Further, financials for newly acquired SPVs are not included in the consolidated financials of the Issuer***

This General Information Document includes certain unaudited standalone and consolidated financial information in relation to the Trust, for the half year ended September 30, 2023, in respect of which the Statutory Auditors of the Trust have issued their respective Limited Review Report dated November 09, 2023. Such unaudited financial information has been subject only to limited review as required by Regulation 23 of Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 (as amended) and in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India, and not to an audit.

Such unaudited financial information is not a substitute for the results of the Trust and may not necessarily be indicative of its actual results of operations, financial position and cash flows for such period or as at such date, nor is intended to be indicative of expected results or operations in the future periods or future financial position of the Trust. Accordingly, the degree of reliance placed by investors in on such unaudited financial information should be limited keeping in mind the limitations of such financial information.

Further, the Highway Infrastructure Trust has acquired four new SPVs namely; (i) Udupi Tollway Private Limited, (ii) Gurgaon Sohna Highways Private Limited, (iii) Rewari Ateli Highway Private Limited and (iv) Ateli Naranaul Highway Private Limited in the month of November 2023. Therefore, audited financial statements of the aforementioned SPVs are not included in the Limited Review Results for half year ended September 30, 2023 of the Trust. The inclusion of such financial information may substantially change the financial details set out herein.

- 2) *The acquisition of the Other SPVs/ HoldCos, and other future acquisition may expose us to risks and have an adverse impact on our operation***

The acquisition of Other SPVs and other future acquisitions may entail integration and management of these future assets to realize economies of scale and control costs, as well as other risks, including diversion of management resources otherwise available for ongoing development of our business. The acquisition may cause disruptions to our operations and divert management's attention away from day-to-day operations. Newly acquired assets may require significant management attention that would otherwise be devoted to our ongoing business. Our management may have to spend a considerable amount of time to ensure a smooth handover of the future SPVs and other future assets and align the operating philosophy of the future SPVs and other future assets with ours. Despite pre-acquisition due diligence, we do not believe that it is possible to fully understand an asset before it is owned and

operated for an extended time. Further, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to achieve or may not be achieved at all.

Further, the acquisition of the Other SPVs or alliances in the future may expose us to the risk of unanticipated business uncertainties or legal liabilities including defects in title and lack of appropriate approvals/ licenses in place for which the relevant parties in relation to such future assets may or may not indemnify us.

3) *The concession agreements may be terminated prematurely under certain circumstances.*

Under the terms of concession agreements entered into by the Project SPVs, they have obligations to maintain our BOT, DBFOT and HAM road projects in good working order and maintain the roads periodically. The road projects require repair or maintenance due to natural disasters, accidents and other factors beyond our control. The concessioning authorities will periodically carry out tests through one or more engineering firms to assess the quality of roads and their maintenance. If we fail to maintain the roads to the standards set forth in the relevant concession agreements, the concessioning authorities may impose penalties, withhold annuity payments and demand remedies within cure periods. If we fail to cure our defaults in a timely manner within such time as may be prescribed under the concession agreement, our concession agreements may be terminated.

The contracts for our road projects typically specify certain operation and maintenance standards and specifications to be met by us while undertaking our operation and maintenance activities and develop a maintenance manual. These specifications and standards require us to incur operation and maintenance costs on a regular basis. The operation and maintenance costs of our projects may increase due to factors beyond our control, including but not limited to:

- standards of maintenance or road safety applicable to our projects prescribed by the relevant regulatory authorities;
- requirement for restoration of our projects in the event of any landslides, floods, road subsidence, other natural disasters accidents or other events causing structural damage or compromising safety;
- unanticipated increases in material and labour costs, higher axle loading, traffic volume or environmental stress leading to more extensive or more frequent heavy repairs or maintenance costs. The cost of major repairs may be substantial and repairs may adversely affect traffic flows;
- increase in electricity or fuel costs resulting in an increase in the cost of energy; or
- other unforeseen operational and maintenance costs.

If a concession agreement is terminated by the concessioning authority due to a default by a Project SPV, the Project SPV may be exposed to additional liability as it is obliged to repair or rectify, at its own cost, any defects or deficiencies identified by the independent engineer of the project for a period specified in the concession agreement upon such termination. In addition, the termination payment by the concessioning authority due to a default by a Project SPV, will be calculated according to the terms of the concession agreement, which may be less than the actual cost incurred by a Project SPV on its project. Consequently, not only would the Project SPV recover less than the costs incurred, but such an occurrence would also have an adverse effect on the Issuer's financial performance. Unless otherwise approved by the concessioning authorities, the termination payments to the Issuer, pursuant to a default by a Project SPV, may be contested by the concessioning authorities on the ground of the same being in nature of loans/advances by the shareholders of the Project SPV and the absence of the concessioning authority's approval to recognize the Issuer as a senior lender.

In addition, our operations may be adversely affected by interruptions or failures in the technology and infrastructure systems that we use to support our operations, including toll road collection and traffic measurement systems. Furthermore, accidents and natural disasters may also disrupt the construction, operation or maintenance of our projects and concessions. Any significant increase in operations and maintenance costs beyond our budget and any failure by us to meet quality standards may reduce our profits and could expose us to regulatory penalties and could adversely affect our business, financial condition and results of operations.

If a concession agreement is terminated by the concessioning authorities due to a default by a Project SPV, or by the Project SPV due to a default by the concessioning authorities, such Project SPV is entitled to termination payments or otherwise from the concessioning authorities in accordance with the terms of the relevant concession agreement. In the future, if the Project SPVs avail financing from the Issuer, the loans/advances from Issuer may be for a maturity term that exceeds the maturity term of the original facilities obtained from the project lenders. There can be no assurance that the concessioning authorities will recognize such amounts as outstanding after the term of the original facilities obtained by the Project SPVs from their respective senior lenders or allow creation/enforcement of security interest over the assets/shares of the respective SPVs to secure such financing. There can also be no assurance that the concessioning authorities will pay the termination payments promptly or at all or that any termination payments will be adequate to enable us to recover our investments or returns in the relevant project SPVs, and to meet the obligations under the Debentures.

There have been instances in India, wherein the concessioning authority has terminated concession agreements to implement

capacity augmentation for projects. In such cases, the concessionaire will be entitled to compensation which typically covers the debt due (calculated as per the formula set out in the agreement) and certain returns on the equity invested in the project cost. There can be no assurance that amounts so paid will be equivalent to the cash flows which would have otherwise been generated from the project and can potentially impact the ability of the Trust negatively and affect the Trust's ability to service the outstanding amounts under financing agreements and under the Debentures.

- 4) *The projects' revenues from tolls are subject to significant fluctuations due to changes in traffic volumes and the mix of traffic and a decline in traffic volumes could adversely affect their business prospects, financial condition, results of operations and their ability to make distributions.***

The projects, which are exclusively toll based, are dependent on toll receipts and are affected by changes in traffic volumes and the mix of traffic. Traffic volumes are directly or indirectly affected by a number of factors, many of which are outside the relevant Project SPVs' control, including toll rates, fuel prices, the affordability of automobiles, the quality, convenience and travel time on alternate routes, industrial growth and development and the availability of alternate means of transportation, including rail networks and air transport. Moreover, such Project SPVs' cash flows are affected by seasonal factors, which may adversely affect traffic volumes. India experiences monsoon rains each year, which can affect the volume of traffic on such projects. During such periods of curtailed activity, such Project SPVs may continue to incur operating expenses but receive reduced toll revenues. Such fluctuations may adversely affect the Project SPVs' business, financial condition or results of operations.

The toll revenues of the Project SPV may also be affected by various regulatory and statutory conditions and restrictions. On May 26, 2021, the NHAI issues guidelines to ensure service time of not more than 10 seconds per vehicle even at peak hours at the toll plazas on the National Highways. In accordance with these guidelines, queues of vehicles at toll plazas must not exceed 100 meters, and in the event of queues longer than 100 meters the vehicles will be allowed to pass without paying toll till the queue comes within 100 meters from the toll booth. Such conditions on the payment of toll may adversely affect the Project SPV's business, financial condition or results of operations.

Traffic volumes are also influenced by the convenience and extent of a toll road's connections with other parts of the state and national highway and toll road network, as well as the cost, convenience and availability of other means of transportation and alternative routes. There can be no assurance that future changes affecting the road network in India, through road additions and closures or through other traffic diversions or redirections, or the development of other means of transportation, such as air or rail transport, will not adversely affect traffic volume on toll roads.

The toll-linked projects may experience high traffic levels and congestion at certain times of the day or on certain days of the week. Although such Project SPVs may consider possible solutions and take appropriate steps in order to ease traffic flow and reduce congestion, there can be no assurance that the saturation problems will be resolved under conditions that are economically satisfactory to such Project SPVs. This could also lead to user dissatisfaction and could potentially reduce traffic volume.

- 5) *The operating expenses of the Project SPVs are dependent on the routine and periodic major maintenance obligations contained in the concession agreements and are subject to fluctuations.***

The Project SPVs are required to operate and maintain the projects in accordance with the respective concession agreements. Accordingly, the Project SPVs prepare a maintenance manual and a maintenance program in consultation with an independent engineer appointed by the NHAI or other concessioning authority for each project, and are required to abide by the same. The Project SPVs' maintenance obligations are primarily to operate and maintain the projects in order to permit the safe, smooth and uninterrupted flow of traffic and the related work and maintenance that they are required to undertake in order to fulfil such obligations. Such maintenance obligations include the repair of wear and tear of roads including overlaying the surface of the roads, among other things.

Routine and periodic major maintenance costs mainly comprise costs of raw materials and other items including fuel, equipment costs and labour expenses, besides maintenance and replacement of hardware, software, tolling expenses and equipment. The prices and supply of raw materials depend upon factors that are beyond our control, including, but not limited to, general economic conditions, transportation costs, global and domestic market prices, competition, production levels and import duties, which could be cyclical in nature. Unanticipated increases in the price of materials, fuel costs, labour or other inputs will affect the results of operations of the Project SPVs, especially if the wear and tear on the relevant project requires major work. The Project SPVs' ability to absorb increases in the purchase price of materials, fuel and other inputs is limited.

Further, our operational costs may also increase substantially, if the relevant O&M Contractors fail to perform its duties as per the O&M Agreements.

- 6) *Notwithstanding that the concession periods granted to the Project SPVs are fixed, concession periods may be modified under particular circumstances and affect the Project SPVs' revenues.***

While the term of the concession agreements is typically fixed, certain concession agreements also provide that, if, amongst other things, the actual traffic volume falls short of, or exceeds, the target traffic volume on specified dates mentioned in such concession agreement, the concession period may be deemed to be extended or reduced, as the case may be, in accordance with the terms of the concession agreement.

The traffic reports related to the GEPL project and JPEPL project indicate that the concession periods for these projects will be extended by approximately 5.4 years and 5 years respectively. In accordance with the traffic reports available in respect of the GEPL project, the traffic volume is approximately 30% lower than the targeted traffic volume and in respect of the JPEPL project, the traffic volume may be 23.2% lower than the targeted traffic volume. Such extensions, however, remains subject to actual traffic volume tests undertaken or to be undertaken on the specified dates in accordance with the concession agreements. Accordingly, there is no assurance that any extensions will be available for these projects.

Further, some of the Other SPVs may have provisions in connection with extension or reduction related to returns delivered to holders of equity across the life of the projects, it may not be possible for the Trust to assess the exact status of such returns before completion of acquisitions and accordingly, such acquisition and future changes may impact the financial conditions of the Trust which cannot be anticipated currently.

There can be no assurance that any modifications to the concession periods will be implemented by the concessioning authorities. While there can be no assurance that the concession periods will be extended or reduced, any modification of the concession periods will affect the amount of toll revenue anticipated and may have an adverse effect on the Issuer's business prospects, financial condition and results of operations and its ability to make repayments to the Holders.

7) *Newly constructed roads or existing alternative routes may compete with the projects and result in the diversion of the vehicular traffic and a reduction of tolls that the Project SPVs can collect.*

Under the terms of the concession agreements entered into by the Project SPVs with a toll component, the relevant concessioning authority is entitled to construct an additional tollway for use by traffic which may serve as alternate routes to the projects after the expiry of determined time periods, depending on the terms of the concession agreements. Notwithstanding that, in some cases, the concession period will accordingly increase and the development of such an additional tollway during the subsistence of the concession agreement could compete with the relevant project and attract users (who would have otherwise used the project) to use the additional tollway and divert vehicular traffic from the projects, thereby reducing toll collections by the Project SPVs which could have an adverse effect on their business, financial condition or results of operations.

There is no assurance that any alternative roads built or improved will not compete with the projects and have an adverse effect on the Issuer's business, financial condition, revenues and operations.

8) *The current insurance coverage for the projects may not protect the Project SPVs from all forms of losses and liabilities associated with their businesses.*

Road infrastructure development project contracts are subject to various risks including:

- political, regulatory and legal actions that may adversely affect a project's viability;
- changes in government and regulatory policies;
- design and engineering defects;
- breakdown, failure or substandard performance of equipment;
- improper installation or operation of equipment;
- labour disturbances;
- terrorism and acts of war;
- inclement weather and natural disasters, including earthquakes, flooding, tsunamis and landslides and pandemics; and
- adverse developments in the overall economic and capital financing environment in India.

The Project SPVs have in place various project-specific insurance policies covering the Project SPVs against material damage, burglary, terrorism and all-risk policies against risk of fire and natural calamities. However, there can be no assurance that all risks are adequately insured against or that the Project SPVs will be able to procure adequate insurance coverage at commercially reasonable rates in the future. Natural disasters in the future may disrupt traffic, thereby adversely affecting toll collections and causing significant disruption to the operations of the project, and causing damage to the projects and the environment that could have an adverse impact on the business and operations of the Project SPVs. In addition, not all of the above risks may be insurable on commercially reasonable terms, or at all. For example, the Project SPVs are required, under the concession agreements, to maintain the quality of the roads and to repair the roads in the event of damage to the roads on account of accidents or other reasons. Accordingly, there may be significant expenditure incurred by a Project SPVs to repair damaged roads and maintain the projects in good condition, particularly if the damage is major, unanticipated or uninsured. The insurance obtained in relation to the Project SPVs may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and

limits on coverage. In addition, these insurance policies are subject to annual review by insurers, and there can be no assurance that they will be renewed on similar or otherwise acceptable terms, if at all. To the extent that the Project SPVs suffer any damage or loss which is not covered by insurance, or exceeds the insurance coverage, the loss would have to be borne by the Project SPVs and will consequently impact the cash flows available for distribution to the Issuer. Further, the Project SPVs have, from time to time, insurance claims pending, with respect to its insurance policies. The proceeds of any insurance claim may also be insufficient to cover rebuilding costs as a result of inflation, changes in regulations regarding infrastructure projects, environmental and other factors. The resulting costs could have an adverse effect on the Issuer's business, prospects, financial condition or results of operations and no assurance can be given that losses in excess of insurance proceeds will not occur in the future.

9) *The Project SPVs may be impacted by the labour issues in the operations and management of the project*

The Project SPVs or the O&M Contractors may appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations. Some of the Project SPVs have obtained the relevant registrations under the Contract Labour (Regulation and Abolition) Act, 1970 (the "**Contract Labour Act**") for certain locations where workmen are employed through contractors or agencies licensed under the Contract Labour Act. Although the Project SPVs do not engage the labourers directly, in the event of default by any independent contractor, the relevant Project SPV may be held responsible for any wage payments and other statutory benefits due to the labourers of such contractor. Any violation of the provisions of the Contract Labour Act or other labour welfare legislations by a Project SPV may result in penalties pursuant to the provisions of the Contract Labour Act. If any of the Project SPVs are required to pay the wages of contracted workmen and subjected to other penalties under the Contract Labour Act or other labour legislations, the reputation, results of operations, cash flows and financial condition of the Issuer could be adversely affected.

Further, in the event of any strikes or work stoppages by employees of the Project SPV itself, the O&M Contractors or other sub-contractors due to increased wage demands or the inability of the Project SPV, O&M Contractors or other sub-contractors to either retain or recruit employees and sub-contractor with suitable credentials, the ability of the Project SPVs to collect tolls and maintain and operate the Projects will be adversely affected. In addition, any disruption to the services provided by the employees of the Project SPV, the O&M Contractors or other sub-contractors will have an adverse effect on the operations of the Project SPVs. There can be no assurance that future disruptions will not be experienced due to disputes or other problems with the work force which may adversely affect the business and results of operations of the Project SPVs or the financial conditions of the Issuers.

Such issues may be present in the Other SPVs which cannot be indicated with certainty currently and the corresponding impact on the operations and financial condition of the Issuer.

10) *The Project SPVs may be required to pay additional stamp duty if any concession agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.*

Currently, concession agreements are treated as agreements which are not lease deeds and stamp duty ranging between ₹ 100 to ₹ 500 is typically paid for such concession agreements. Stamp duty authorities of certain states in India have issued notices to some concessionaires alleging inadequate stamp duty on the concession agreements executed between the concessionaires and the concessioning authorities. The stamp authorities allege that since the concession agreements relate to the letting of tolls to the concessionaires in the form of leases, or as development agreements, such agreements were required to be stamped as lease agreements or development agreements or under any specific notification issued by the relevant government, as applicable. Accordingly, concession agreements that have not been stamped as such, could be considered to be inadequately stamped. The High Courts of Allahabad and Madhya Pradesh have also held that a concession agreement ought to be stamped as a lease agreement and have upheld the imposition of a higher stamp duty on such agreements.

The stamp duty for a lease agreement or a development agreement ranges between 1.0% and 11.0% of the annual rent or premium payable or the market value of the property. Furthermore, stamp duty authorities may impose penalties for payment of inadequate stamp duty, which could extend up to 10 times the amount of the stamp duty payable.

If any of the concession agreements were determined to be inadequately stamped, then such agreements would be inadmissible as evidence in any legal action, until the deficient amount of stamp duty together with penalties, if any, was paid. Any deficiently stamped documents can also be impounded by any person having authority, by law or consent, to receive evidence or every person who is in-charge of a public office. Such persons impounding the deficiently stamped documents can either levy the appropriate stamp duty and penalty or send them to revenue authorities for that purpose. In addition, a person who signs an instrument chargeable with stamp duty will be subject to a fine if such instrument is not duly stamped.

Concession agreements contain change in law provisions which extend to a change in the interpretation or application of any Indian law by a court of record after the date of the concession agreement or the submission of the bid documents, as the case may be. Under the terms of the concession agreements, if any financial burden exceeding a certain prescribed threshold is imposed on a concessionaire as a result of such change in law, then it may be entitled to approach the concessioning authority to amend the concession agreement or seek compensation to place the concessionaire in its former financial condition. However, relief under the concession agreements may be limited in nature. There can be no assurance that the relevant concessioning authority will consider

additional stamp duty on the concession agreements as a change in law for which they will amend the concession agreement or agree to provide compensation to the concessionaire. Any disagreement between the relevant concessionaire and the concessioning authority may result in arbitration proceedings between the parties which could lead to increased costs.

It may be noted that DBCPL and NBL are currently before judicial authorities in connection with such stamp duty demands and the matters are currently pending. Any imposition of a demand for payment of a higher stamp duty or imposition of penalty would increase the costs of the projects, to the extent such additional costs are not recoverable from the concessioning authorities, and could adversely affect the business, results of operations and prospects of the Project SPVs and consequently the Issuer.

11) The Issuer may raise further borrowings and charge its assets

The Issuer is not barred from raising future borrowings and may charge its assets from time to time for any of such future borrowings in accordance with the Financing Documents. In the event of a default in repayment of the borrowings of the Issuer which will also trigger cross default of the Debt Securities, the borrowings of the Issuer which are secured with the assets of the Issuer will have a higher probability of being redeemed than the Debt Securities.

12) Risks in relation to maintenance of security cover or full recovery of the security in case of enforcement

The value of the secured assets, in the event of an enforcement or liquidation, will depend on many factors. In particular, despite the requirement to maintain a minimum security cover, the shares of the HoldCos and the Project SPVs proposed to be pledged to secure the Debt Securities will only have value to the extent that the assets of such entities are worth more than their liabilities (and, in a bankruptcy or liquidation of such entities, will only receive value after payment upon all such liabilities). Further, by their nature, such shares (and any other secured assets) may be illiquid and may have no readily ascertainable market value.

13) Our success depends in large part upon the Investment Manager and Project Manager, the management and personnel that they employ, and their ability to attract and retain such persons.

Our ability to make consistent distributions to our Unitholders depends on the continued service of management teams and personnel of the Investment Manager and Project Manager. Each of the Investment Manager and Project Manager may face challenges in recruiting and retaining a sufficient number of suitably skilled personnel. Generally, there is significant competition for management and other skilled personnel in our industry in India, and it may be difficult to attract and retain the skilled personnel that the Investment Manager and Project Manager need for our operations. Furthermore, the Investment Manager and Project Manager may not be able to adequately re-deploy and re-train their employees to keep pace with evolving industry standards and changing customer preferences. The loss of key personnel of either of the Investment Manager or the Project Manager, may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows of the Highways Trust.

14) An inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the Project SPVs.

The Project SPVs require certain approvals, licenses, registrations and permissions under regulations, guidelines, circulars and statutes regulated by the Indian regulatory and government authorities to be obtained at various stages and by a number of parties. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof, in a timely matter, or at all. In addition, the Project SPVs are required to comply with a wide variety of Indian laws and regulations. There can be no assurance that the Project SPVs are in compliance with such laws and regulations or as requested by the regulatory authorities, have obtained all necessary approvals or that they will continue to obtain the necessary approvals or have been and will continue to be in compliance with all applicable laws and regulations. For example, in the case of one of our Project SPVs, UEPL, we have not received a consent for toll operations from the Tamil Nadu Pollution Control Board. In the event of any failure to obtain or renew the approvals or if there is a delay in the obtaining of such approvals, the business and financial condition of the Project SPVs could be adversely affected.

Further, these permits, licenses and approvals could be subject to several conditions, and the Highways Trust cannot assure investors that the Project SPVs have complied with all such conditions and will be able to continuously meet such conditions or be able to prove compliance with such conditions to the authorities. Any non-compliance may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals, which may result in the interruption of the operations of the Project SPVs and may adversely affect the business, financial condition and results of operations of the Project SPVs.

Further, certain terms and conditions in the Project SPVs' concession agreements, financing agreements, and our other approvals require the concessioning authorities' prior written approval to be obtained for one or more of the following actions, among others:

- amendment, modification, or replacement by the Project SPV of any project agreements (including financing agreements) relating to the operation of the road asset to which the Project SPV is a party if the amendment, modification, or replacement of

such agreement increases or imposes any financial liability or obligation on the concessioning authorities;

- the creation of any encumbrance or security interest over, or transfer of rights and benefits of the Project SPVs under, the concession agreements or any project agreements; and
- the selection or replacement of any engineering, procurement and construction contract, operation and maintenance contractor and execution of the engineering, procurement and construction agreements and the operation and maintenance agreements.

The concession agreements entered into by the Project SPVs also require certain project agreements to be submitted to the concessioning authorities, for their review and comments. All project agreements (including, financing agreements, O&M contracts) to which a Project SPV is a party prior to entry, amendment, or replacement of such agreements, even if such agreements do not affect the financial liability or obligations of the concessioning authorities, may not have been submitted to the concessioning authorities.

The restrictions described above may impose constraints on our flexibility to conduct our business. Further, if as a result of these restrictions, we are unable to pursue a favourable course of action or to respond to an unfavourable event, condition, or circumstance, then our business, financial condition and results of operations may be materially and adversely affected.

15) The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Highways Trust. We cannot assure you that the Investment Manager will be able to comply with such requirements.

The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Highways Trust in accordance with the SEBI InvIT Regulations. These requirements include, amongst other things, (a) making investment decisions with respect to the underlying assets or projects of the Highways Trust, (b) overseeing the activities of the Project Manager, (c) investing and declaring distributions in accordance with the SEBI InvIT Regulations, (d) submitting reports to the Trustee, (e) ensuring the audit of the Highways Trust's accounts (f) complying with covenants regarding lending agreements (g) SEBI Listing regulation disclosure requirements. We cannot assure you that the Investment Manager will be able to comply with such requirements in a timely manner or at all, which could subject the Investment Manager, the other parties to the Highways Trust, the Highways Trust or any person involved in the activity of the Highways Trust to applicable penalties under the SEBI InvIT Regulations, the SEBI Intermediaries Regulations and/or the SEBI Act. Any such failure to comply or the imposition of any penalty could have an adverse effect on our business, financial condition and results of operations.

Under the SEBI InvIT Regulations, the SEBI also has the right to inspect documents, accounts and records relating to the activity of the Highways Trust, Project SPVs or Parties to the Highways Trust and may issue directions in the nature of, inter-alia, (i) requiring the Highways Trust to surrender its certificate of registration; (ii) requiring the Highways Trust to wind-up; (iii) requiring the Highways Trust to sell its assets; (iv) requiring the Highways Trust or Parties to the Highways Trust to take such action as may be in the interest of investors; or (v) prohibiting the Highways Trust or Parties to the Highways Trust from operating in the capital markets or from accessing the capital markets for a specified period.

B. EXTERNAL RISK FACTORS

1) The Debentures or Commercial Papers may be illiquid

The Trust intends to list the Debentures/Commercial Papers on the NSE and/or BSE. The Trust cannot provide any guarantee that the Debentures/Commercial Papers will be frequently traded on the Stock Exchange and that there would be any market for the Debentures/Commercial Papers. The current trading of the Trust's existing listed non-convertible debentures may not reflect the liquidity of the Debentures/Commercial Papers being offered through the Issue. It is not possible to predict if and to what extent a secondary market may develop for the Debentures/Commercial Papers or at what price the Debentures/Commercial Papers will trade in the secondary market or whether such a market will be liquid or illiquid. The fact that the Debentures/Commercial Papers may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

Further, the Trust may not be able to issue any further Debentures/Commercial Papers, in case of any disruptions in the securities market.

2) Future legal and regulatory change

Future government policies and changes in laws and regulations in India (including their interpretation and application to the operations of the Trust) and comments, statements or policy changes by policy makers or any regulator, including but not limited to the SEBI, Income Tax department, Goods and Service Tax Department or SEBI, may adversely affect the Debentures/Commercial Papers, and restrict the Trust's ability to do business in its target markets. The timing and content of any new law or regulation or rule is not within the Trust's control and such new law, regulation, comment, statement, rule or policy change could have an adverse impact on its business, financial results and/or operations.

Further, SEBI, the relevant Stock Exchange(s) or other regulatory authorities may require clarifications on this General Information Document, which may cause a delay in the issuance of Debentures/Commercial Papers or may result in the Debentures/Commercial Papers being materially affected or even rejected.

3) *A slowdown in economic growth in India*

The Trust's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. Further, our revenue from toll fee collection is linked with inflation and any adverse movement in wholesale price index and consumer price index of India will cause significant impact in revenue. Additionally, significant variation in interest rates will impact HAM revenue and overall profitability of the Project SPVs and Trust.

Furthermore, A slowdown in the Indian economy or a fall in India's GDP or other macroeconomic indicators may adversely affect its business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general downtrend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Trust's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

4) *Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally*

If there is any slowdown in the economic liberalization, or a reversal of steps already taken, it could have an adverse impact on the Trust's business. Financial difficulties and other problems in certain financial institutions in India could cause the Trust's financial performance to suffer. The Trust is exposed to the risks of the international as well as Indian financial system, which in turn may be affected by financial difficulties, trends and other problems. This in turn could adversely affect the Trust's future financial performance and its unitholder's funds.

5) *Acts of God, terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and the Trust's business*

Acts of God, terrorist attacks and other acts of violence or war may negatively impact the Indian markets and may also adversely impact worldwide financial markets. These acts may also result in a loss of business confidence. In addition, adverse social, economic and political events in India could have a negative impact on the Trust. Such incidents could also create a perception that investment in Indian companies involves a higher degree of risk which could have an adverse impact on the Trust's financial performance.

6) *The Trust's business may be adversely impacted by natural calamities or unfavorable climatic changes*

India has experienced natural calamities such as earthquakes, floods, droughts, and a tsunami in recent years. India has also experienced pandemics, including the outbreak of avian flu, swine flu and coronavirus. The extent and severity of these natural disasters and the lockdowns due to these pandemics determine their impact on the economy and in turn their effect on the sector of which the Trust is a part cannot be ascertained or predicted but could adversely affect the Trust. Prolonged spells of abnormal rainfall, drought and other natural calamities could have an adverse impact on the economy which in turn could adversely affect the financial results and/or operations of the Trust.

7) *There is no assurance that the Debentures or Commercial Papers issued pursuant to this Issue will be listed on the Stock Exchanges in a timely manner*

There is no assurance that the Debentures/Commercial Papers issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner. In accordance with Indian law and practice, permissions for listing and trading of the Debentures/Commercial Papers issued pursuant to this Issue will not be granted until after the Debentures/Commercial Papers have been Issued and Allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Exchanges. There could be a delay in listing the Debentures/Commercial Papers on the Stock Exchange for reasons unforeseen.

8) *The Issuer's management will have significant flexibility in applying proceeds received from the Debt Securities. The fund requirement and deployment have not been appraised by any bank or financial institution.*

The Issuer may use the proceeds of the Issue in accordance with the use of proceeds set out in the Key Information Document for the relevant series. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Further, in accordance with the provisions of the SEBI ILNCS Regulations, the Issuer is not required to appoint a monitoring agency and therefore no monitoring agency will be appointed

for the Issue. Accordingly, there may not be a possible way to map the utilization of the proceeds whether done in accordance with the terms of the relevant issue.

9) Credit Risk of the Issuer

Eligible Investors should be aware that receipt of any coupon payment and principal amount at maturity on the debt securities is subject to the credit risk of the Issuer. Eligible Investors assume the risk that the Issuer will not be able to satisfy its obligations under the debt securities being issued pursuant to the relevant Key Information Document. Eligible Investors may or may not recover all or part of the principal amount as set out in the Key Information Document for the relevant series, in case of any default by the Issuer.

10) The Issuer is not required to maintain adequate Debenture Redemption Reserve (“DRR”) for the Debt Securities

The provisions of the Companies Act, 2013, applicable to companies and body corporates require maintenance of debenture redemption reserve by an issuer of debt securities under Section 71 of the Companies Act, 2013, upon availability of distributable profits in the company. The amounts available under the DRR is to be utilized exclusively towards redemption under the Debt Securities. The provisions of the Companies Act, 2013 however does not apply to the Trust constituted and registered under the InvIT Regulations) in furtherance of the provisions of the Master Circular for InvITs. Hence, there is no statutory requirement for maintenance of DRR and the Eligible Investors would not have the benefit of reserve funds unlike that in case of companies.

11) Commercial Papers are unsecured in nature

Given that the Commercial Papers are an unsecured money market instrument, in the event the Trust is unable to meet its payment and other obligations towards investors under the terms of the Commercial Papers, the investors do not have any recourse in the form of a security to recover their dues. Potential investors may also have to assess and take into consideration that an investment in the issue of Commercial Papers will be bound by and subject to any market risks associated with investing in short term money market instruments.

12) Risks in relation to the security created in relation to the Debt Securities

The Debt Securities will effectively *pari passu* with the other secured indebtedness of the Issuer, and Issuer’s assets will be applied in a *pari passu* to discharge the obligation to all secured lender.

Further, under section 281 of the (Indian) Income Tax Act, 1961 (“IT Act”), a charge or pledge created by a person over certain types of assets (including shares) shall be void as against any claim in respect of any tax or other sum payable by such person under any proceedings or claims under the IT Act which were pending at the time of creation of the charge, unless the permission of the relevant tax authorities is obtained prior to the creation of the charge. Though the Issuer will apply for permission under section 281 of the IT Act prior to execution of the security documents, such permission of relevant tax authorities may not be received under section 281 of the IT Act prior to the execution of the security documents in connection with the Debt Securities, and the charge so created shall be void as against any claim in respect of any tax or other sum payable as a result of the completion of any proceedings which are either pending under the IT Act at the time of execution of the security documents or which have been completed but no notice has been served in respect of such proceedings under the IT Act.

Further, the Debt Securities will not have any direct security of the assets of the SPV and at all times be subordinated to any other indebtedness secured by a security interest over the SPV assets, to the extent of the value of the assets over which the holders of the Debt Securities do not also have security. The SPV assets that secure such other indebtedness (not being the assets secured in favour of the holders of the Debt Securities) will be first applied to meet the obligations to the lenders of the SPV.

13) Risks in relation to maintenance of security cover or full recovery of the security in case of enforcement

The value of the secured assets, in the event of an enforcement or liquidation, will depend on many factors. In particular, despite the requirement to maintain a minimum security cover, the shares of the HoldCos and the SPVs proposed to be pledged to secure the Debt Securities will only have value to the extent that the assets of such entities are worth more than their liabilities (and, in a bankruptcy or liquidation of such entities, will only receive value after payment upon all such liabilities). Further, by their nature, such shares (and any other secured assets) may be illiquid and may have no readily ascertainable market value.

14) Refusal in listing of any security of the issuer during last three years by any of the stock exchanges in india or abroad:

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad. However, such occurrence cannot be ruled out, and such occurrence will have adverse consequences on ability of the Issuer

to continue raising required funds for its operations.

15) Limited or sporadic trading of non-convertible securities of the issuer on stock exchanges:

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

16) in case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

C. GENERAL RISK FACTORS

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this issue. For taking an investment decision, investors must rely on their examination of the Issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section III of General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

D. ADDITIONAL ASSUMPTIONS

The initial subscriber by subscribing to and any subsequent purchaser by purchasing the Debentures/Commercial Papers shall be deemed to have agreed that and accordingly the Trust shall be entitled to presume that each of the initial subscribers and any subsequent purchasers (Debenture Holder/Commercial Paper Holder, as referred to hereinabove and hereinafter):

- (1) has reviewed the terms and conditions applicable to the Debentures/Commercial Papers as contained in the General Information Document and the relevant Key Information Document and has understood the same, and, on an independent assessment thereof, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that Debentures/Commercial Papers are a suitable investment and that the Debenture Holder/Commercial Paper Holder, as applicable, can bear the economic risk of that investment;
- (2) has received all the information believed by it to be necessary and appropriate or material in connection with, and for, investment in the Debentures/Commercial Papers;
- (3) has sufficient knowledge, experience and expertise as an investor, to make the investment in the Debentures/Commercial Papers;
- (4) has not relied on either the Trust or any of its affiliate, Sponsor, Investment Manager, project manager, InvIT Trustee and Project SPVs, if any or any person acting in its or their behalf for any information, advice or recommendations of any sort except as regards the accuracy of the specific factual information about the terms of the Debenture/Commercial Papers set out in this General Information Document and the relevant Key Information Document;
- (5) has understood that information contained in this General Information Document and the relevant Key Information Document is not to be construed as business or investment advice;
- (6) has made an independent evaluation and judgment of all risks and merits before investing in the Debentures/Commercial Papers;
- (7) has understood that the method and manner of computation of returns and calculations on the Debentures/Commercial Papers shall be solely determined by the Trust or the Board of Investment Manager or Sponsor and the decision of the Trust or the Board of Investment Manager or Sponsor shall be final and binding;
- (8) has understood that in the event of any discretions to be exercised, in relation to method and manner of any of the above computations including due to any disruptions in any of the financial or other related markets or if for any other reason the calculations cannot be made as the method and manner originally stipulated or referred to or implied, such

alternative methods or approach shall be used as deemed fit by the Trust and may include the use of estimates and approximations. All such computations shall be valid and binding on the Debenture Holder(s) /Commercial Paper Holder(s) and no liability thereof will attach to the Trust;

- (9) has understood that in the event that the Debenture Holder(s) Commercial Paper Holder(s) suffers adverse consequences or loss, the Debenture Holder(s) Commercial Paper Holder(s) shall be solely responsible for the same and the Trust, its Sponsor, Investment Manager, Project manager, InvIT Trustee, SPVs or affiliates, if any shall not be responsible, in any manner whatsoever, for any adverse consequences or loss suffered by the Debenture Holder(s) Commercial Paper Holder(s) including but not limited to on the basis of any claim that no adequate disclosure regarding the risks involved were made or that the full risks involved were not explained or understood;
- (10) has the legal ability to invest in the Debentures/Commercial Papers and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder/Commercial Paper Holder or its assets;
- (11) where the Debenture Holder/Commercial Paper Holder includes any kind of fund including but not limited to a mutual fund / provident fund/pension fund / superannuation fund / gratuity fund/ endowment fund/ wealth fund/ family office fund or any kind of retirement benefit funds or other welfare funds (each a “**fund**”), that:
 - (a) investing in the Debentures/Commercial Papers on the terms and conditions stated herein is within the scope of the fund's investment policy and does not conflict with the provisions of the Trust Deed / bye laws / regulations currently in force,
 - (b) the investment in Debentures/Commercial Papers is being made by and on behalf of the fund and that the fund is in force and existing and the investment has been ratified by appropriate resolutions, and
 - (c) the investment in Debentures/Commercial Papers has been duly authorized and does not contravene any provisions of the trust deed / bye laws / regulations as currently in force or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the fund or its assets;
- (12) where the Debenture Holder/Commercial Paper Holder is a company, that:
 - (a) the Debenture Holder/Commercial Paper Holder is not precluded under any law, rules, regulations and / or circular(s) issued by any statutory authority (ies) including under the Companies Act, 2013 from investing in the Debentures/Commercial Papers;
 - (b) all necessary corporate or other necessary action has been taken and that the Debenture Holder/Commercial Paper Holder has corporate ability and authority, to invest in the Debentures; and
 - (c) investment in the Debentures does not contravene any provisions of its memorandum or articles of association or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder/Commercial Paper Holder or their assets.

SECTION IV

DISCLOSURES AS PER SCHEDULE I OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

A. Issuer Information

(a) Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the NSE and/or BSE, as applicable, at the time of issue of relevant series of the Debentures or Commercial Papers:

- (i) this General Information Document;
- (ii) the relevant Key Information Document;
- (iii) Trust Deed;
- (iv) copy of the necessary resolution(s) authorizing the borrowings, issuance of the Debentures and list of authorized signatories for the Allotment of securities;
- (v) copy of Audited Standalone and Consolidated Financial Information/Results of issuer for the financial year ended March 31, 2023, along with auditors report thereon of the Issuer and the combined financial statements for the periods when such historical financial statements were not available i.e Financial Year 2022 and 2021;
- (vi) copy of limited review reports for the unaudited standalone and consolidated financial results for the six months ended September 30, 2023;
- (vii) statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (viii) copy of the resolution passed by the unitholders of the Issuer for approving the consolidated borrowing limit;
- (ix) an undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the relevant Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the NSE and/or BSE where such securities have been proposed to be listed, as required;
- (x) as per the Debenture Trustee Deed no undertaking or permission/consent from the prior creditor for a pari passu charge being created, in favour of the Debenture Trustee to the proposed Issue is required, provided the Trust has given prior intimation to the creditor; and
- (xi) any other particulars or documents that the recognized stock exchange may call for as it deems fit.

(b) Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of each series of the Debentures:

- (i) Trust Deed of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (ii) Copy of Audited Standalone and Consolidated Financial Information/Results of issuer for the financial year ended March 31, 2023, along with auditors report thereon of the Issuer and the combined financial statements for the periods when such historical financial statements were not available i.e. Financial Year 2022 and 2021;
- (iii) copy of limited review reports for the unaudited standalone and consolidated financial results for the six months ended September 30, 2023;
- (iv) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (v) Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee.

(c) A brief summary of the business/activities of the Issuer and its SPVs with the details of branches or units if any and its line of business:

i. Overview and a brief summary of the business activities of the Issuer:

Our current portfolio of assets includes the following ten projects, comprising of both, National Highways and State Highways and are located in the states of Telangana, Gujarat, Haryana, Karnataka, Madhya Pradesh, Meghalaya, Rajasthan and Tamil Nadu:

- a four lane highway with an aggregate length of 140.79 kilometres, between Bhopal to Dewas on State Highway 18* in Madhya Pradesh, operated by DBCPL (the “**DBCPL Project**”);
- a four lane highway with an aggregate length of 87.10 kilometres, on the Godhra and the border between Madhya Pradesh and Gujarat on National Highway 59* in Gujarat, operated by GEPL (the “**GEPL Project**”);
- a four lane highway with an aggregate length of 71.54 kilometres, between the Jodhpur and Pali section on National Highway 65* in Rajasthan, operated by JPEPL (the “**JPEPL Project**”);
- a four lane highway with an aggregate length of 30.89 kilometres, between the Kadtal and Armur section on National Highway 7* in Telangana, operated by NBPL (the “**NBPL Project**”);
- a two lane highway with an aggregate length of 48.77 kilometres, comprising the Shillong bypass connecting National Highway 40* with National Highway 44* in Meghalaya, operated by SEPL (the “**SEPL Project**”);
- a four lane highway with an aggregate length of 72.90 kilometres, between the Tindivanam and Ulundurpet section on National Highway 45* in Tamil Nadu, operated by UEPL (the “**UEPL Project**”);
- Four Laning of Kundapur - Surathkal Section of NH-17 and Manglore — Kerala Border (Total Length 90.28) in the State of Karnataka under NHDP Phase III on Design, Build, Finance, Operate and Transfer (the “**DBFOT**”) basis, operated by UTPL (the “**UTPL Project**”);
- 6 Laning & Strengthening of New NH-248A from Existing km 11+682 to exiting KM 24+400 (Total Length 12.85 km) in the state of Haryana Package-2: Existing Ch. Km 11+682 to km 24+400 (Design Ch. Km 9+282 to km 22+000) under NHDP Phase-IV on Hybrid Annuity Mode basis, Operated by GSHPL (the “**GSHPL Project**”);
- a four lane highway with an aggregate length of 30.45 kilometers, starting from Maha Kharia, Rewari to Ateli Mandi, Ateli on National Highway 11 in the state of Haryana, Operated by RAHPL (the “**RAHPL Project**”); and
- Narnaul Bypass (Design Length 23.46 km) & Ateli Mandi to Narnaul section of NH 11 from km 43.445 to km 56.900 (design length 14.05 km) as an Economic Corridor & Feeder Route Pkg-ii and connectivity of 3.30 Km to ILMH (Total length 40.81 km) in the state of Haryana on on Hybrid Annuity Mode, Operated by ANHPL (the “**ANHPL Project**”).

Note: The State Highway and National Highway numbers and chainages mentioned in this General Information Document are old Highway numbers and chainages, as per the concession agreements. The actual SH/NH numbers and chainages at site may differ based on subsequent changes.

Through these ten SPVs, we maintain and operate road assets aggregating to 622.37 kms (2,445.27 lane kms).

The consolidated operating revenue of the Highways Trust for Fiscal 2023 is ₹ 6,152.35 million, and the combined operating revenue of Project SPVs for Fiscal 2022 and 2021 was ₹ 5,866.56 million, and ₹ 5,085.04 million, respectively.

The Projects are divided into three types on the basis of the implementation mode: (i) toll; (ii) annuity; and (iii) hybrid annuity. Key details of these models are set out below:

Annuity-based Projects: Under this model, the concessionaire is responsible for the construction, operation (excluding toll collection) and maintenance of the project during the concession period, post which the project is transferred to the concessioning authority. The Concessionaires have to initially bear the entire project cost through a combination of debt and equity. The concessionaire generates revenue through fixed semi-annual annuity payments received from the concessioning authority, over the concession period. Since this annuity payment is a cost to the concessioning authority, the contract is awarded to the lowest bidder. During the operations period concessioning authority collect the toll from users.

Toll-based Projects: Under this model too, the concessionaire is responsible for the construction, operation and maintenance of the project during the concession period, post which the project is transferred to the concessioning authority. The Concessionaires have to initially bear the entire project cost through a combination of debt and equity. During the concession period, the concessionaire realises its returns by way of toll collection rights under the concession agreement. Therefore, the concessionaire bears the revenue risk during the concession period. The toll charged under these contracts is generally regulated by a policy or a public agency.

HAM-based Projects: Under this model too, the concessionaire is responsible for the construction operation (excluding toll collection), and maintenance of the project during the concession period, post which the project is transferred to the concessioning authority. 40% of the bid project cost is to be payable to the concessionaire by the authority during the construction period and the

same is linked to physical progress of the project. The Concessionaires have to initially bear the balance 60% of the project cost through a combination of debt and equity. The concessionaire generates revenue during operating period from semi-annual annuity payments (linked to inflation) received from the concessioning authority, over the concession period. Along with Annuity income, the Concessionaire also receives Interest income on annuities and Operation & maintenance receipts from authority, adjusted for inflation. During the operations period concessioning authority collect the toll from users.

The map below illustrates the locations of the Projects held by the Highways SPVs:



* Map not drawn to scale

The table below sets forth details of the Trust's SPVs:

#	Highways SPV	Project model (Annuity or Toll)	Length (in km)	No. of lanes	State	Authority	COD	End of Concession Period	Residual Concession Period as of December 31, 2023 (in yrs)	Revenue for Fiscal 2023 (in ₹ million)
1.	Dewas Bhopal Corridor Pvt. Ltd.	Toll	140.79	4	Madhya Pradesh	MPRDC	February 10, 2009	December 1, 2033	9.9	1,892.08
2.	Godhra Expressways Pvt. Ltd.	Toll	87.10	4	Gujarat	NHAI	October 31, 2013	July 23, 2043*	19.7*	1,435.01
3.	Jodhpur Pali Expressway Pvt. Ltd.	Toll	71.54	4	Rajasthan	PWD, Govt. of Rajasthan	October 31, 2014	September 15, 2043**	19.9**	677.35
4.	Nirmal BOT Private Ltd.	Annuity	30.89	4	Telangana	NHAI	July 22, 2009	October 29, 2027	3.8	264.63
5.	Shillong Expressway Private Limited	Annuity	48.77	2	Meghalaya	NHAI	February 28, 2013	February 6, 2026	2.1	199.73
6.	Ulundurpet Expressways Pvt. Ltd.	Toll	72.90	4	Tamil Nadu	NHAI	July 23, 2009	February 28, 2027	3.1	1,683.58

#	Highways SPV	Project model (Annuity or Toll)	Length (in km)	No. of lanes	State	Authority	COD	End of Concession Period	Residual Concession Period as of December 31, 2023 (in yrs)	Revenue for Fiscal 2023 (in ₹ million)
7.	Udupi Tollways Pvt. Ltd.	Toll	86.23	4	Karnataka	NHAI	January 30, 2017	September 4, 2035	11.72	NA
8.	Gurgaon Sohna Highway Private Limited	HAM	12.85	6	Haryana	NHAI	February 25, 2022	February 25, 2037	13.20	NA
9.	Rewari Ateli Highway Private Limited	HAM	30.45	4	Haryana	NHAI	November 15, 2021	November 11, 2036	12.9	NA
10.	Ateli Narnaul Highways Private Limited	HAM	40.81	4/6	Haryana	NHAI	March 11, 2022	March 7, 2037	13.2	NA

* In accordance with the GEPL Concession Agreement, the concession period will end on February 28, 2038. However, the concession period may get extended until July 23, 2043 (by 5.4 years) in view of actual traffic being lower than the target traffic. Such extension has been recommended by the independent engineer and the NHAI project implementation unit but are subject to formal concurrence from the concessioning authority

** In accordance with the JPEPL Concession Agreement, the concession period will end on September 15, 2038. However, the concession period may get extended until September 15, 2043 (by 5 years) in view of actual traffic being lower than the target traffic. This extension is yet to be approved by the concessioning authority. This, however, remains subject to actual traffic volume tests to be undertaken on the specified dates in accordance with the JPEPL Concession Agreement.

The Projects

1. Dewas Bhopal Corridor Private Limited (“DBCPL”)

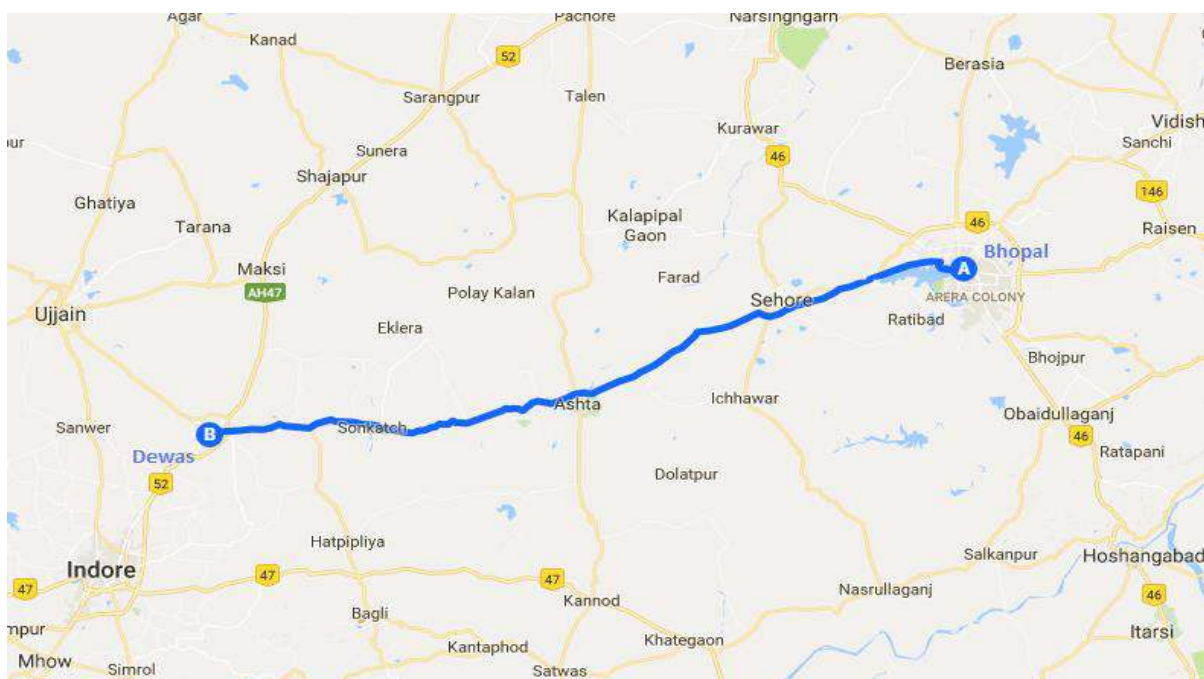
Concession agreement

The MPRDC and DBCPL entered into the concession agreement dated June 30, 2007 (the “**DBCPL Concession Agreement**”). DBCPL was engaged, on a build, operate and transfer basis, under the DBCPL Concession Agreement for the reconstruction, strengthening, widening and rehabilitation of the Bhopal-Dewas section including (including all bypasses) from KM 6.800 to KM 151.600 on SH-18 to 4-lane section in the State of Madhya Pradesh.

The DBCPL Concession Agreement was granted for a period of 25 years and certain extensions were granted by the concessioning authority. As consideration, DBCPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the Project in accordance with the DBCPL Concession Agreement and at the rates set out in the DBCPL Concession Agreement. DBCPL pays the MPRDC ₹ 1.00 per year, as concession fees, during the term of the DBCPL Concession Agreement. This project was acquired by the Trust on August 23, 2022.

Corridor description

State Highway 18, of which the DBCPL Project is a part of, runs from Bhopal to the border of Gujarat. The map below illustrates the location of the Project and the corridor it covers:



Note: Subsequent to signing of the DBCPL Concession Agreement, the State Highway number has been revised to SH-28.

According to the Traffic Report, the factors that contribute to traffic growth on the Project include, among other things, (i) the lack of routes in vicinity of toll plazas preventing the avoidance of the Project road, (ii) the project being a part of the a part of the Kandla-Sagar economic corridor, and being an important highway for the movement from east to the west and (iii) the Project connecting Bhopal, the political capital of Madhya Pradesh to Indore, the business and trading capital of Madhya Pradesh.

Traffic volume

The table below sets forth the AADT by category of vehicles for Fiscals 2023, 2022 and 2021:

Category	Fiscal		
	2023	2022	2021*
Car	9,442	7,536	7,425
LCV/ Minibus	1,531	1,578	1,596
Bus	448	447	363
Trucks	854	759	896
MAV of more than 2 axles	1,632	1,346	1,411
AADT	13,906	11,666	11,691

Note: For details, see Traffic Reports

* Toll operations suspended for 33 days due to Covid-19 in April, 2020 and May, 2020

Financing

As of September 30, 2023, equity capital and other equity was ₹ 752.93 million and debt outstanding to lenders, was ₹ 3,300.08 million.

2. Godhra Expressways Private Limited (“GEPL”)

Concession agreement

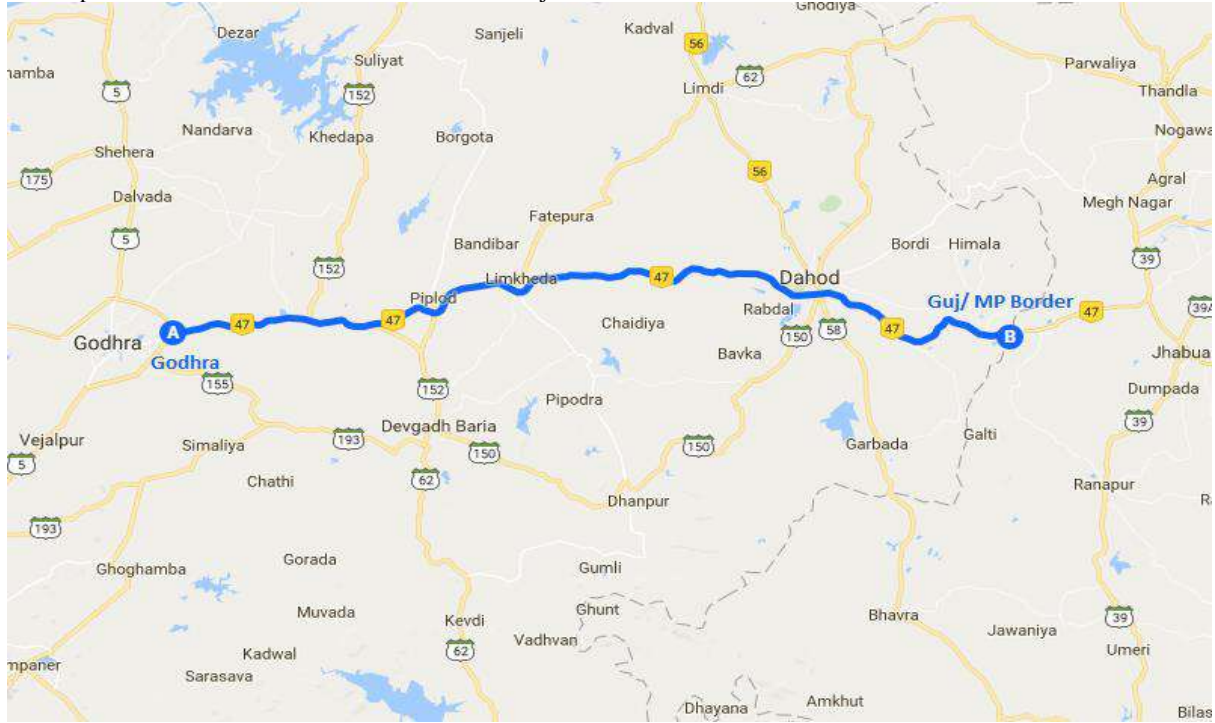
The NHA and GEPL entered into the concession agreement dated February 25, 2010 (the “**GEPL Concession Agreement**”). GEPL was engaged, on a design, build, finance, operate and transfer basis, under the GEPL Concession Agreement for the four-laning of Godhra in Gujarat to Madhya Pradesh border section of National Highway 59 from KM 129.300 to KM 215.900 in the state of Gujarat.

The GEPL Concession Agreement was granted for a period of 27 years, with a provision that allows for extension or reduction of this term based on the variation between the actual traffic on the Project and the target set out in the GEPL Concession Agreement. As consideration, GEPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the Project in accordance with the GEPL Concession Agreement and at the rates set out in the National Highways Fee (Determination of Rates and Collection) Rules, 2008, as amended. GEPL pays the NHAI ₹ 1.00 per year, as concession fees, during the term of the GEPL Concession Agreement and subject to a premium in terms of the GEPL Concession Agreement.

The GEPL Concession Agreement provides that, if the actual traffic volume differs from the target traffic volume, the concession period may be deemed to be extended or reduced, as the case may be. The Traffic Report for GEPL provides that the actual traffic volume on the target date was approximately 29% lower than the target traffic volume. Accordingly, the concession period may be extended by 5.4 years. Such extension has been recommended by the independent engineer and the NHAI project implementation unit. This project was acquired by the Trust on August 23, 2022.

Corridor description

National Highway 59* of which the GEPL Project is a part, connects Ahmedabad in Gujarat with Indore in Madhya Pradesh. The map below illustrates the location of the GEPL Project and the corridor it covers:



**Subsequent to signing of the GEPL Concession Agreement, the National Highway number has been revised to NH-47.*

According to the Traffic Report for GEPL, the factors that contribute to traffic growth on the GEPL Project include, among other things, (i) the fact that the tolling has been at place since 2013 and the travel pattern is well established, (ii) lack of alternate routes from/to where the traffic may divert, (iii) the Project corridor consisting of Devgadhi Baria, Dahod 1 and Dahod 2 (Kharedi) industrial estates; and (iv) the project being a part of the Kandla-Sagar economic corridor, and being an important highway for the movement from east to the west.

Traffic volume

The table below sets forth the AADT by category of vehicles for Fiscals 2023, 2022 and 2021:

Category	Fiscal		
	2023	2022	2021*
Car	6,174	5,543	5,083
LCV	579	540	584
Bus / Truck	1,931	1,777	1,578
MAV	2,759	2,488	2,454
AADT	11,442	10,348	9,699

Note: For details, see Traffic Reports

**Toll operations suspended for 19 days due to Covid-19 in April, 2020*

Financing

As of September 30, 2023, equity capital and other equity was ₹(4,673.79) million and debt outstanding to lenders, was ₹ 10,053.21 million.

3. Jodhpur Pali Expressway Private Limited (“JPEPL”)

Concession agreement

The PWD (R) and JPEPL entered into the concession agreement dated February 28, 2013 (the “**JPEPL Concession Agreement**”). JPEPL was engaged, on a design, build, finance, operate and transfer basis, under the JPEPL Concession Agreement for the development and operation of Jodhpur-Pali section of National Highway 65 from KM 308.00 to KM 366.00 and including bypass to Pali starting from KM 366.000 of National Highway 65, connecting National Highway 14 at KM 114 in State of Rajasthan.

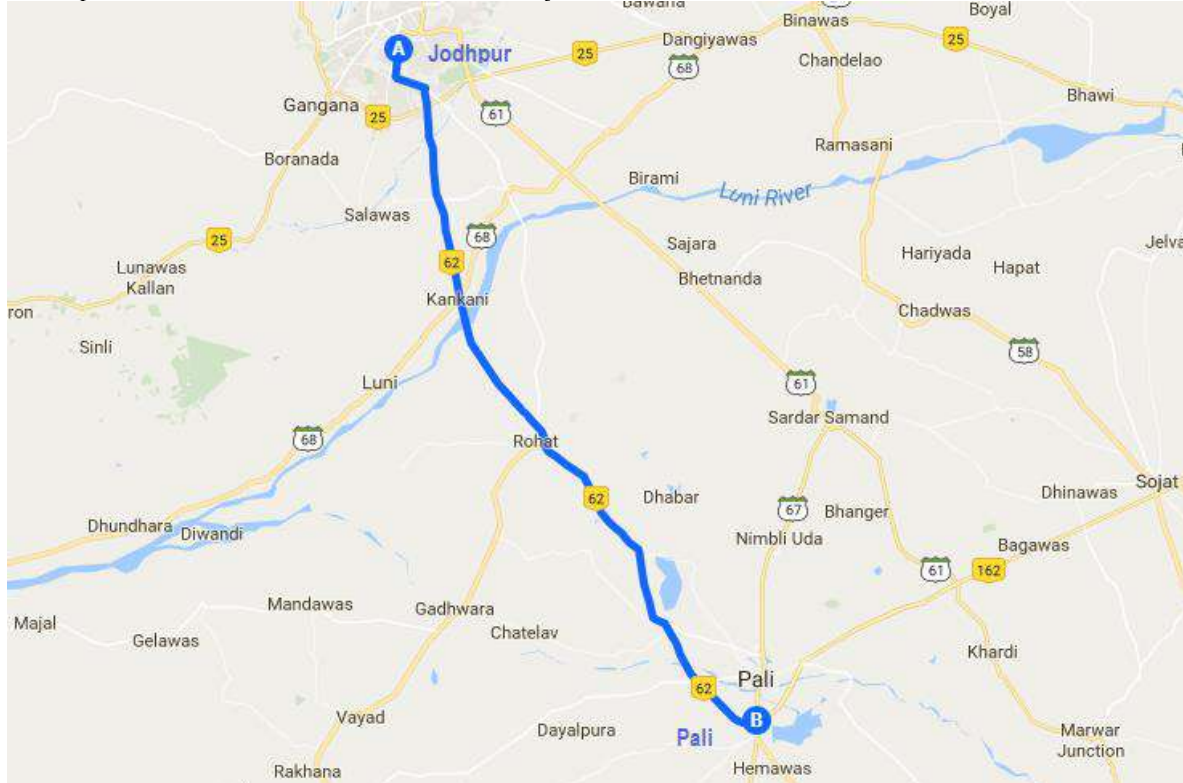
The JPEPL Concession Agreement was granted for a period of 25 years, with a provision that allows for extension or reduction of this term based on the variation between the actual traffic on the Project and the target set out in the JPEPL Concession Agreement. As consideration, JPEPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the Project in accordance with the JPEPL Concession Agreement and at the rates set out in the National Highways Fee (Determination of Rates and Collection) Rules, 2008, as amended. JPEPL pays the PWD(R) ₹ 1.00 per year, as concession fees, during the term of the JPEPL Concession Agreement and subject to a premium in terms of the JPEPL Concession Agreement.

The JPEPL Concession Agreement provides that, if the actual traffic volume differs from the target traffic volume, the concession period may be deemed to be extended or reduced, as the case may be. The Traffic Report for JPEPL estimates that the traffic volume may be 31.8% lower than the targeted traffic volume. Accordingly, JPEPL the concession period may be extended by approximately 5 years. Such extension, however, remains subject to actual traffic volume tests to be undertaken in accordance with the JPEPL Concession Agreement. This project was acquired by the Trust on August 23, 2022.

Corridor description

National Highway 65*, of which the JPEPL Project is a part, runs from Ambala in Haryana to Pali in Rajasthan.

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



**Subsequent to signing of the JPEPL Concession Agreement, the National Highway number has been revised to NH-62*

According to the Traffic Report for JPEPL, the factors that contribute to traffic growth on the JPEPL Project include, among other things, (i) the JPEPL Project being a connecting link between economic corridors and feeder roads. It is likely to remain an important national highway for movement from north to south, and (ii) the proposed Delhi-Mumbai Industrial Corridor forming part of the Western Dedicated Freight Corridor which may result in an upside with distributive traffic from railway node to surrounding areas along the Project.

Traffic volume

The table below sets forth the AADT by category of vehicles for Fiscals 2023, 2022 and 2021:

Category	Fiscal		
	2023	2022	2021*
Car	6,009	5,150	4,698
LCV/ Minibus	317	285	535
Two-axle bus	472	404	4,01
Two-axle trucks	790	747	680
Three-axle trucks/bus	543	546	530
MAV (four -six axle)	1,300	1,289	1,177
AADT	9,432	8,420	8,021

Note: For details, see Traffic Reports

** Toll operations suspended for 19 days due to Covid-19 in April, 2020*

Financing

As of September 30, 2023, equity and other equity was ₹(2,226.38) million and debt outstanding to lenders, was ₹5,118.72million.

4. Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited) (“NBPL”)

Concession agreement

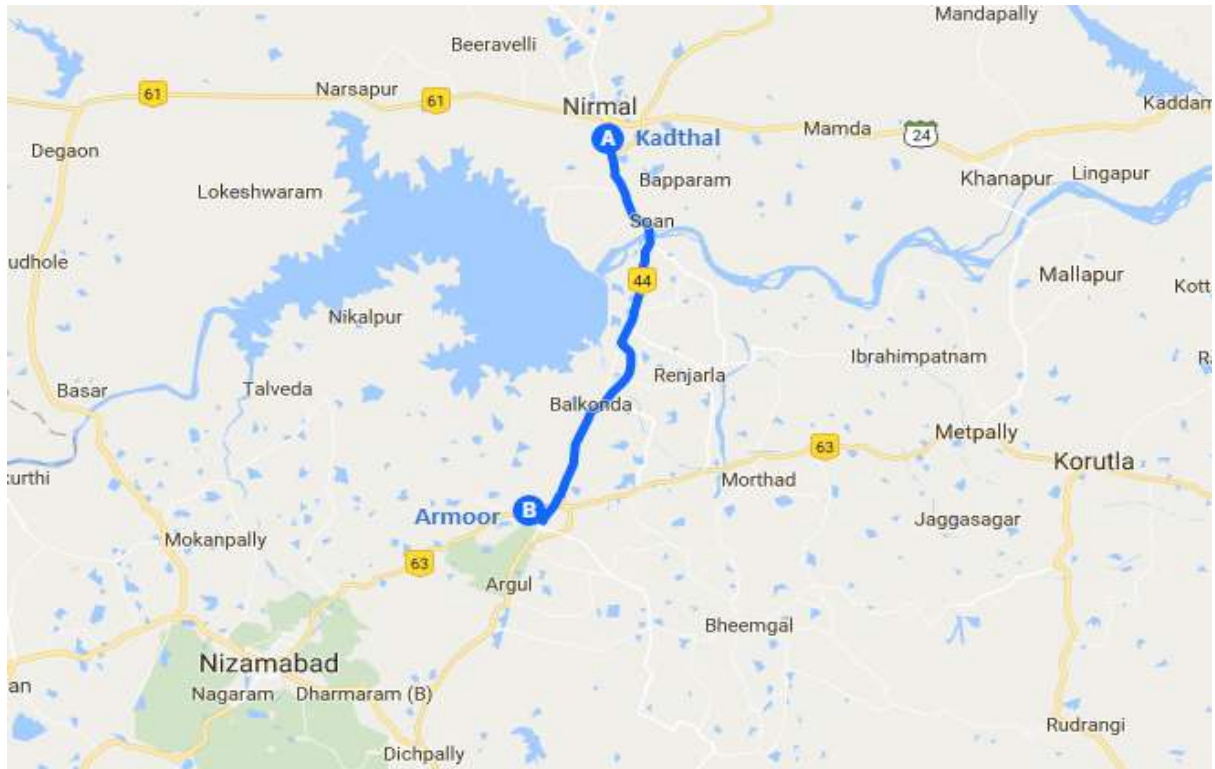
The NHA and NBPL entered into the concession agreement dated May 4, 2007 (the “**NBPL Concession Agreement**”). NBPL was engaged, on a build, operate and transfer basis, under the NBPL Concession Agreement for the design, engineering, construction, development, finance, operation and maintenance of four-laning the existing two-lane section from KM 278 (Kadtal) to KM 308 (Armur) on National Highway 7* in the state of Telangana.

The NBPL Concession Agreement was granted for a period of 20 years. As consideration, NBPL has the sole and exclusive right to demand, collect and appropriate annuities in accordance with the NBPL Concession Agreement. As consideration, NBPL shall a semi-annual annuity of ₹ 238 million, in accordance with the payment mechanism described in the NBPL Concession Agreement. This project was acquired by the Trust on August 23, 2022.

Corridor description

National Highway 7*, of which the NBPL Project is a part, is a section of the North-South corridor, which starts from Varanasi and connects major cities like Jabalpur, Nagpur, Hyderabad, Kurnool Bangalore, Salem and Madurai.

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



**Subsequent to signing of the NBPL Concession Agreement, the National Highway number has been revised to NH-44*

Financing

As of September 30, 2023, equity capital and other equity was ₹74.67million and debt outstanding to lenders, was ₹ 969.42 million.

5. Shillong Expressway Private Limited (“SEPL”)

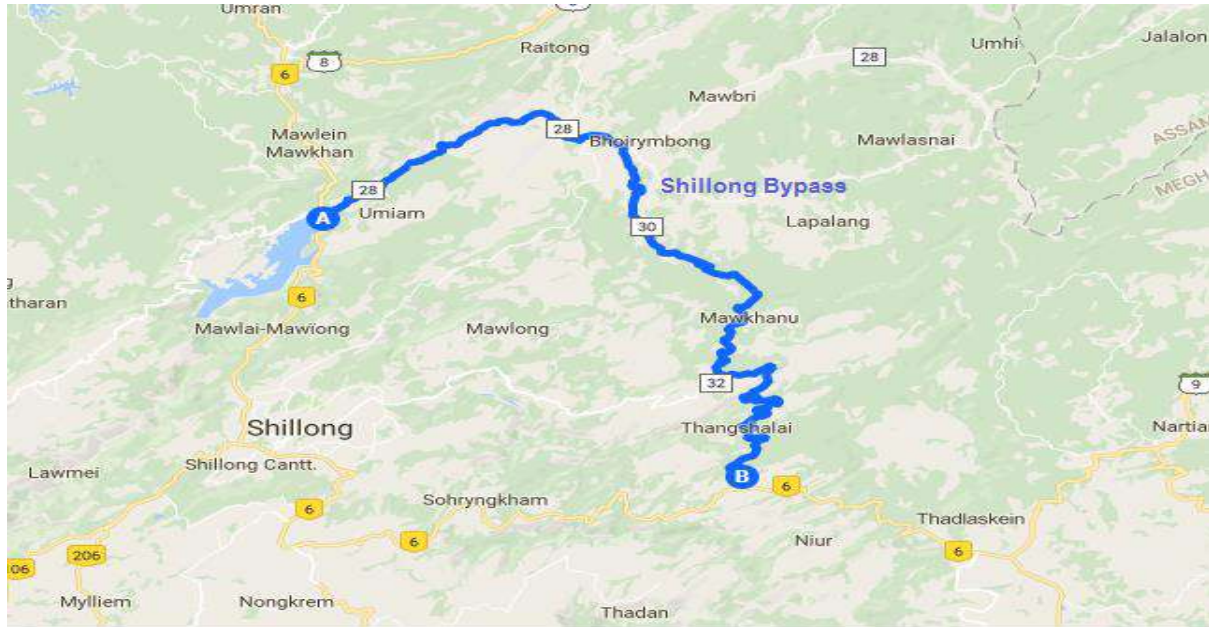
Concession agreement

The NHAI and SEPL entered into the concession agreement dated July 14, 2010 (the “**SEPL Concession Agreement**”). SEPL was engaged, on a design, build, operate and transfer basis, under the SEPL Concession Agreement for the two laning of Shillong bypass connecting National Highway 40 and National Highway 44 from KM 61.800 of National Highway 40 to KM 34.850 of National Highway 44 in the state of Meghalaya.

The SEPL Concession Agreement was granted for a period of 15 years. As consideration, SEPL has the sole and exclusive right to demand, collect and appropriate annuities in accordance with the SEPL Concession Agreement. As consideration, SEPL shall receive a semi-annual annuity of ₹ 248.7 million, in accordance with the payment mechanism described in the SEPL Concession Agreement. This project was acquired by the Trust on August 23, 2022.

Corridor description

The SEPL Project is a part of National Highway 40* and National Highway 44* in the state of Meghalaya. The map below illustrates the location of the SEPL Project and the corridor it covers:



**Subsequent to signing of the SEPL Concession Agreement, the National Highway number has been revised to NH-6.*

Financing

As of September 30, 2023, equity capital and other equity was ₹43.90 million and debt outstanding to lenders, was ₹ 15.00 million.

6. Ulundurpet Expressways Private Limited (“UEPL”)

Concession agreement

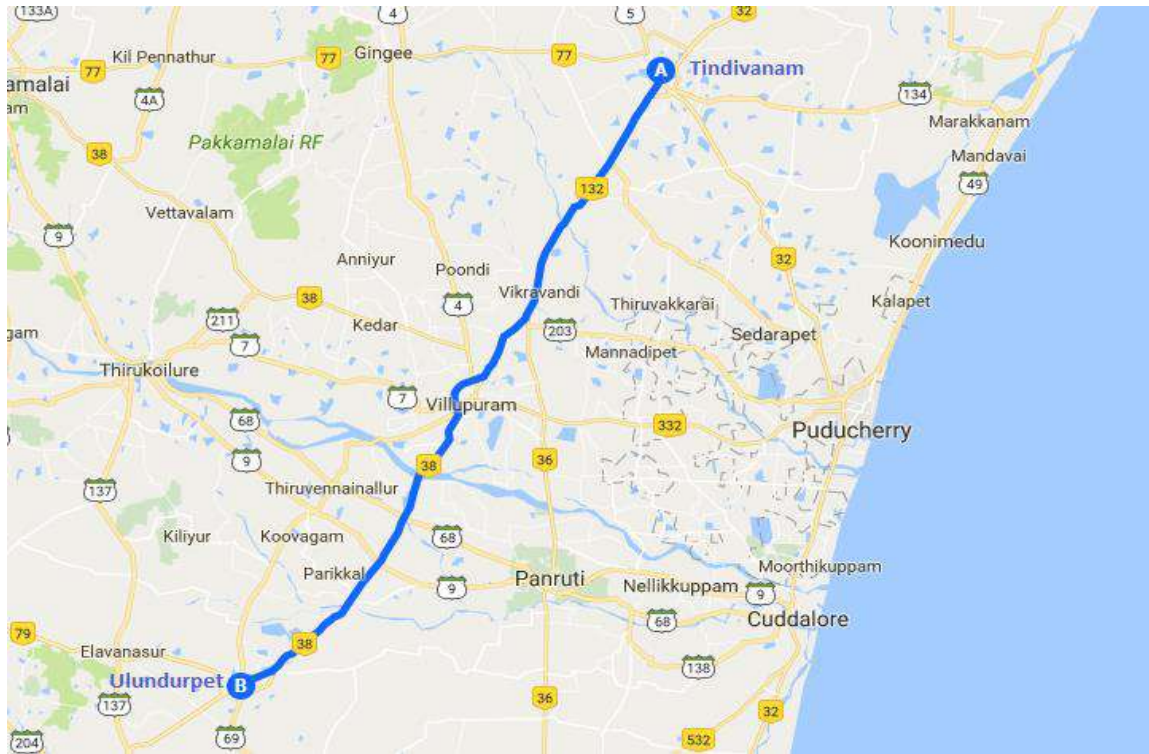
The NHA and UEPL entered into the concession agreement dated April 19, 2006 (the “**UEPL Concession Agreement**”). UEPL was engaged, on a build, operate and transfer basis, under the UEPL Concession Agreement for the design, engineering, construction, development, finance, operation and maintenance of four-laning the existing two-lane section from KM 121 (near Trindivanam) to KM 192.25 (near Ulundurpet) on National Highway 45* in the state of Tamil Nadu.

The UEPL Concession Agreement was granted for a period of 20 years and certain extensions were granted by the concessioning authority. As consideration, UEPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the Project in accordance with the UEPL Concession Agreement and at the rates set out in the National Highways (collection of fees by any person for the use of section of National Highways/ permanent bridge/ temporary bridge on National Highways) Rules, 1997, as amended and the relevant fee notification. UEPL pays the NHA ₹ 1.00 per year, as concession fees, during the term of the UEPL Concession Agreement and subject to a negative grant payment in terms of the UEPL Concession Agreement. This project was acquired by the Trust on August 23, 2022.

Corridor description

National Highway 45*, of which the UEPL Project is a part, runs within Tamil Nadu and starts from Kathipura junction in Guindy area (in Chennai) and extends up to Theni.

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



*Subsequent to signing of the UEPL Concession Agreement, National Highway number has been revised to NH-132 and NH-38.

According to the Traffic Report for UEPL, the factors that contribute to traffic growth on the UEPL Project include, among other things, (i) the unavailability of an alternate route in the vicinity of the Project, (ii) The UEPL Project being a part of route connecting cities of Tamil Nadu with Chennai and (iii) the UEPL Project being a connecting link on the Chennai – Madurai/Kanyakumari economic corridor.

Traffic volume

The table below sets forth the AADT by category of vehicles for Fiscals 2023, 2022 and 2021:

Category	Fiscal		
	2023	2022	2021**
Car	19,683	16,778	16,324
LCV	1,937	1,769	1,812
Bus	3,267	2,349	1,707
Two-axle trucks	1,840	1,619	1,555
MAV	2,994	2,864	2,762
AADT	29,721	25,379	24,160

Note: For details, see Traffic Reports

** Toll operations suspended for 19 days due to Covid-19 in April, 2020.

Financing

As of September 30, 2023, equity capital and other equity was ₹2,071.83 million and debt outstanding to lenders, was ₹1,024.83 million.

7. Udupi Tollways Pvt Ltd (Formerly known as Navayuga Udupi Tollway Private Limited) (“UTPL”)

Concession Agreement

The NHA and UTPL entered into a concession agreement dated March 9, 2010 (the “**UTPL Concession Agreement**”). UTPL was engaged, on a design, build, finance, operate and transfer basis, under the UTPL Concession Agreement for the four-laning of Kundapur – Surathakal section and Mangalore – Kerala Border National Highway 66 from in the state of Karantaka.

The UTPL Concession Agreement was granted for a period of 25 years, with a provision that allows for extension or reduction of this term based on the variation between the actual traffic on the Project and the target set out in the UTPL Concession Agreement. As consideration, UTPL has the sole and exclusive right to demand, collect and appropriate tolls payable by vehicles using the Project in accordance with the UTPL Concession Agreement and at the rates set out in the National Highways Fee (Determination of Rates and Collection) Rules, 2008, as amended. This project was acquired by the Trust on November 2, 2023.

Corridor Description

The project road serves inter-state traffic of Maharashtra, Goa and Karnataka, apart from Intra-state traffic of Karnataka. There is no major/minor alternate route and hence, traffic diversion is expected to be minimal.

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



Subsequent to signing of the UTPL Concession Agreement, National Highway number has been revised to NH-66 from earlier NH17

To the Traffic Report for UTPL, the factors that contribute to traffic growth on the UTPL Project are (i) LOS improvement of NH66 corridor due to completion of 4 laning of Goa to Kundapur section in FY23. This growth momentum continues once completion of balance sections of NH66 i.e., Mumbai –Goa and Kasargod –Thiruvananthapuram in FY25 and FY26 (ii) Operations at New Mangalore Port (NMPT), Industrial activity at Mangalore Refinery and Petro Chemical limited and other Industries in the Project vicinity (iii) Passenger traffic growth is driven by presence of Tourism places in the vicinity and increase in passenger traffic growth at Mangalore international airport post Covid-19 resumption.

Traffic Volume

The table below sets forth the AADT by category of vehicles for Fiscals 2023, 2022 and 2021:

Category	Fiscal		
	2023	2022	2021**
Car	8,999	6,681	5,890

Category	Fiscal		
	2023	2022	2021**
LCV/ Minibus	1,705	1,454	1,397
Bus/Truck	2,001	1,534	1,353
MAV of more than 2 axles	1,470	1,303	1,251
AADT	14,175	10,971	9,890

Note: For details, see Traffic Reports

Financing:

As of September 30, 2023, equity capital and other equity was ₹ (2,373.94) million and debt outstanding to lenders, was ₹ 8,213.14million.

8. **Gurgaon Sohna Highway Private Limited (“GSHPL”)**

Concession Agreement

Gurgaon Sohna Highways Private Limited (GSHPL) was incorporated on April 6, 2018. GSHPL entered into a concession agreement dated April 19, 2018 with NHAI. The GSHPL project was awarded to HG Infra Engineering Limited by NHAI on March 6, 2018 for 15 years of operation & maintenance period along with construction period of 910 days from the Appointed Date i.e. January 30, 2018 of the GSHPL Project. However, the construction was completed with a period of 1122 days with an extension of 212 days which was duly approved by NHAI. The Project has successfully achieved its COD on February 25, 2022. This project was acquired by the Trust on November 21, 2023.

Corridor Description

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



The Project Road is a section of NH-248A which passes mostly from the built up areas of Bhondsi, Ghamroj, Alipur, University area and Sohna in the district Gurugram, Haryana. The project starts at Ch. 11+682 (Design Ch. 9+282) near Sohna and Ends at Ch. 24+400 (Design Ch. 22+000) near Bhondsi, Gurgaon. Length of the Project Road is 12.718 km.

Financing

As of September 30, 2023, equity capital and other equity was ₹1,158.71 million and debt outstanding to lenders, was ₹ 1,550.88 million.

9. **Rewari Ateli Highway Private Limited (formerly, H.G. Rewari Ateli Highway Private Limited) (“RAHPL”)**

Concession Agreement

Rewari Ateli Highway Private Ltd (RAHPL) was incorporated on April 8, 2019. RAHPL entered into a concession agreement dated May 27, 2019 with NHAI. The RAHPL project was awarded to H.G. Infra Engineering Ltd. By NHAI for 15 years of operation & maintenance period along with construction period of 730 Days from the Appointed Date i.e. January 14, 2021 of the RAHPL Project. The Project has successfully achieved its PCOD on November 15, 2021.

This project was acquired by the Trust on November 21, 2023.

Corridor Description

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



The Project Road is a Section of NH-11 which starts from Ch. 13+000 and ends at Ch.44+000 in the state of Haryana. The Project Road is a section which is heading towards the Industrial town of Narnaul. The Project Road has a length of 30.450 km.

Financing

As of September 30, 2023, equity capital and other equity was ₹1,028.55 million and debt outstanding to lenders, was ₹1,940.85 million.

10. Ateli Narnaul Highway Private Limited (formerly known as H.G. Ateli Narnaul Highway Private Limited) (“ANHPL”) **Concession Agreement**

The NHAI has entered into a Concession Agreement with the Concessionaire “(M/s. Ateli Narnaul Highway Private Limited for the Construction of Proposed Narnaul Bypass (Design Length 23.46 Km) & Ateli Mandi To Narnaul Section of NH-11 from Km 43.445 To Km 56.900 (Design Length-14.05 Km) as an Economic Corridor & Feeder Route Package – II and connectivity of 3.30 km to ILMH (Total length 40.81 km) in the State of Haryana on Hybrid Annuity Mode Project (the “Project”) through Public Private Partnership (the “PPP”) on Design, Build, Operate and Transfer (“DBOT Annuity or Hybrid Annuity”) basis on dated May 27, 2019. This project was acquired by the Trust on November 21, 2023

Corridor Description

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



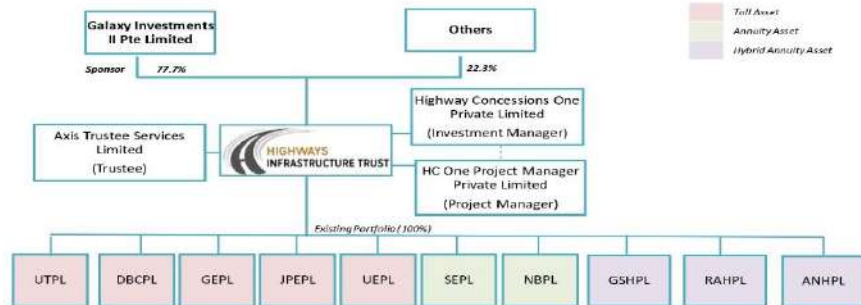
The Project Road includes Ateli Mandi to Narnaul section of NH-11 which starts from Ch. 43+445m and ends at Ch. 56+900 (Design Length) & Narnaul Bypass in the state of Haryana. The Project Road is a section which is heading towards the Industrial town of Narnaul. The Project Road has a length of 40.81 km.

Financing

As of September 30, 2023, equity capital and other equity was ₹ 1,743.78 million and debt outstanding to lenders, was ₹ 3,198.15 million.

ii. Corporate Structure of the Issuer:

The following structure illustrates the relationship between the Trust, the InvIT Trustee, the Sponsor, the Investment Manager, SPVs and the Unitholders as on the listing date:



The Sponsor- Galaxy Investments II Pte. Ltd ("Galaxy"):-

- Galaxy is the sponsor of the Highways Trust. The Sponsor was incorporated on June 11, 2021 in Singapore with registration number 202120533M. The Sponsor is a private company limited by shares. The Sponsor's registered office is situated at 12 Marina View, #11-01, Asia Square Tower 2, Singapore 018961. Galaxy is engaged in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the "infrastructure" sector.

The InvIT Trustee:- Axis Trustee Services Limited:-

- Axis Trustee Services Limited is the InvIT Trustee of the Highways Trust. The InvIT Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee since January 31, 2014, having registration number IND000000494 and is valid until suspended or cancelled by SEBI. The InvIT Trustee's registered office is Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai - 400 025, Maharashtra, India. The InvIT Trustee's address for correspondence is The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028, Maharashtra, India.

The Investment Manager:- Highway Concessions One Private Limited:-

- Virescent Infrastructure Investment Manager Private Limited ("**Erstwhile Investment Manager**") was appointed as the first investment manager of the Highways Trust, pursuant to the Investment Management Agreement dated December 6, 2021. On October 18, 2022, the Erstwhile Investment Manager resigned from its position as the Investment Manager of the Trust, which was subject to the approval of the unitholders and SEBI. In accordance with such resignation, the InvIT Trustee to the Highways Infrastructure Trust called for an Extraordinary General Meeting of unitholders on November 14, 2022 for their approval on the resignation of the Erstwhile Investment Manager and appointment of Highway Concessions One Private Limited as the new Investment Manager and the same was approved by them. Subsequently, vide letter dated November 22, 2022 (received by us on November 23, 2022), SEBI approved the appointment of Highway Concessions One Private Limited as the new Investment Manager of the Trust.

Highway Concessions One Private Limited was originally incorporated as 'Piramal Roads Infra Private Limited' on September 23, 2010 under the Companies Act, 1956, as a private limited company having corporate identity number U45200MH2010PTC208056. Subsequently, on May 13, 2014 the name was changed from Piramal Roads Infra Private Limited to Highway Concessions One Private Limited. The Investment Manager's registered office and address for correspondence is Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India.

- The Project Manager- HC One Project Manager Private Limited**

Virescent Renewable Energy Project Manager Private Limited ("**Erstwhile Project Manager**") was appointed as the first project manager of the Trust pursuant to the project management agreement entered into amongst the Erstwhile Project Manager, the InvIT Trustee, the Erstwhile Investment Manager. On October 18, 2022, the Erstwhile Investment Manager resigned from its position as the Investment Manager of the Trust, which was subject to the approval of the unitholders and SEBI. HC One Project Manager Private Limited was appointed as the Project Manager thereafter by way of Project Management Agreement dated October 20, 2022 and such appointment was effective from November 14, 2023 upon receipt of approval from the unitholders. HC One Project Manager Private Limited was incorporated as a private limited company in India on September 20, 2022 under the provisions of the Companies Act, 2013 with the corporate identification number U74140MH2022PTC390762. The Project Manager's registered office and address for correspondence is Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India.

iii. Details of branches or units where the Issuer carries on its business activities, if any:

NA

iv. Details of holding of the Sponsor and its Group in the Trust:

Sr. No.	Name of Holder	No. of units held	Sponsor Unit holding as per cent of	No. of Units pledged by Sponsor	Units pledged with respect to the units owned

			total Unit Capital (in %)		
1.	Galaxy Investments II Pte. Ltd.	373,900,000	77.66	0	0
	Total	373,900,000	77.66	0	0

Note: on December 18, 2023, Board of directors of the Highway Concession One Private Limited acting on behalf of the Trust as its investment manager has approved the issuance of up to 26,54,54,540 Units of Highways Trust at an issue price of ₹ 82.50 per Unit for an aggregate amount of up to ₹ 21,89,99,99,550 on a preferential basis on such terms and conditions as may be determined by the Board in accordance with the InvIT Regulations. This issue of units of preferential basis is subject to approval of unitholders. Issuance of preferential allotment will impact the unit capital of the Trust. As part of such issuance additional 18,06,06,060 Units are proposed to be issued to Nebula Asia Holdings II Pte. Ltd. (an associate of the Sponsor)

v. Project Cost and means of financing, in case of funding of new projects:

The proceeds of the Issue will be utilized for such purposes as may be mentioned in the respective Key Information Document(s) pertaining to each Tranche Issue, and would be in line with extant regulation.

(d) Expenses of the Issue:

Sr. No.	Nature of Expenses	Estimated Amount of Expenses (₹ crore)	% of Total Issue Expenses	% of Issue Size of ₹ 500 crore
1.	Lead Manager(s) fees	Please refer to relevant key information document		
2.	Underwriting commission	Please refer to relevant key information document		
3.	Brokerage, selling commission and upload fees	Please refer to relevant key information document		
4.	Fees payable to Registrars to the Issue	Please refer to relevant key information document		
5.	Advertising and marketing expenses	Please refer to relevant key information document		
6.	Fees payable to the regulators including stock exchanges	Please refer to relevant key information document		
7.	Expenses incurred on printing and distribution of issue stationary	Please refer to relevant key information document		
8.	Any other fees, commission or payments under whatever nomenclature	Please refer to relevant key information document		
	Total	Please refer to relevant key information document		

(e) Financial Information:

- (i) The audited financial statements (i.e., Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of 3 (Three) completed years along with the auditor's report and the requisite schedules, footnotes, summary etc. (or the combined financial statements for the periods when such historical financial statements are not available);**

Please refer **Annexure II** of this General Information Document.

Please note that our Statutory Auditor issued an audit report dated July 06, 2023 on the special purpose combined financial Statement of the Trust which comprise of special purpose combined Balance Sheet as at March 31, 2022 and March 31, 2021, the special purpose combined Statements of Profit and Loss (including Other Comprehensive Income) for the financial years ended 31 March, 2022 and March 31, 2021, the special purpose combined Statement of Cash Flow for the financial years ended March 31, 2022 and March 31, 2021, the special purpose combined Statements of Changes in Equity for the financial years ended March 31, 2022 and March 31, 2021, special purpose combined statement of net assets at fair value as at March 31, 2022, special purpose combined statement of total returns at fair value for the financial year ended March 31, 2022 and a summary of significant accounting policies and other explanatory information prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the

Companies Act, 2013 (“Ind AS”) read with SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder (“InvIT Regulations”) and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India (“Guidance Note”). This special purpose combined financial statement of the Trust also contain a restrictive clause which mandates a requirement of prior consent from the auditors before use of the same for any purpose other than the inclusion in the right issue offer documents in connection with the proposed right issue of units of the Trust. For the purpose of disclosure in GID, we have obtained the consent of the auditors for inclusion of their name and special purpose combined financial statements of the Trust in the Offer Document via their letter dated January 5, 2024.

Please note that the Trust has acquired four new SPVs namely; (i) Udupi Tollway Pvt Ltd (*formerly known as Navayuga Udupi Tollway Private Limited*), (ii) Gurgaon Sohna Highways Private Limited, (iii) Rewari Ateli Highway Private Limited (*formerly known as H.G. Rewari Ateli Highway Private Limited*) and (iv). Ateli Naranaul Highway Private Limited (*formerly known as H.G. Ateli Narnaul Highway Private Limited*) in the month of November 2023. Therefore, audited financial statements of the aforementioned SPVs are not included in the Limited Review Results for half year ended September 30, 2023 of the Highway Infrastructure Trust. Please see **Section IV A.(c)(i)** for more details about the newly acquired SPVs.

(ii) The unaudited financial information with limited review report for the half year ended September 30, 2023 along with the auditor’s report and the requisite schedules, footnotes, summary etc.:

The unaudited financial statements of the Trust are annexed herewith under **Annexure II** of this General Information Document.

Please note that the Trust has acquired four new SPVs namely; (i) Udupi Tollway Pvt Ltd (*formerly known as Navayuga Udupi Tollway Private Limited*), (ii) Gurgaon Sohna Highways Private Limited, (iii) Rewari Ateli Highway Private Limited (*formerly known as H.G. Rewari Ateli Highway Private Limited*) and (iv) Ateli Naranaul Highway Private Limited (*formerly known as H.G. Ateli Narnaul Highway Private Limited*) in the month of November 2023. Therefore, audited financial statements of the aforementioned SPVs are not included in the Limited Review Results for half year ended September 30, 2023 of the Highway Infrastructure Trust. Please see **Section IV A.(c)(i)** for more details about the newly acquired SPVs.

(iii) Key Operational and Financial Parameters on consolidated and standalone basis:

a. Consolidated:

(in ₹ Million)				
Balance Sheet	As at September 30,2023 (unaudited)	As at March 31,2023 (Audited)	As at March 31,2022 (Audited)	As at March 31,2021 (Audited)
Assets				
Property, Plant and Equipment (including Capital Work in Progress and Investment Property)	-	100.00	132.43	76.33
Intangible Assets (including Intangible Assets under Development)	-	19,353.89	20,246.56	21,249.03
Financial Assets (Current and Non-Current)	-	3,717.54	6,852.62	6,503.49
Other Non-Current Assets	-	6.26	0.28	0.45
Current Assets	-	55.23	72.90	122.14
Total assets (Refer note 3 below)	-	23,316.49	27,394.19	28,025.73
Liabilities				
Financial Liabilities	-			
- Borrowings (including interest)		18,934.83	23,635.19	24,114.58
- Other financial liabilities		1,556.83	1,276.93	1,265.55
Non-Current Liabilities	-	1,527.74	1,174.20	906.53

Current Liabilities	-	655.45	634.57	410.11
Total Liabilities	-	22,674.85	26,720.89	26,696.77
Provisions	-	425.46	280.15	580.08
Equity (equity share capital and other equity)	-	4,381.66	388.86	733.82
Total equity and liabilities	-	23,316.49	27,394.19	28,025.73
Profit and Loss	For the period ended September 30, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
Total revenue from operations	3,377.15	6,152.35	5,866.56	5,085.04
Other Income	89.15	278.72	331.09	251.18
Total Income	3,466.30	6,431.02	6,177.65	5,336.22
Total Expenses	2,516.28	5,466.59	5,818.09	5,558.95
Profit/ loss after Tax for the period	913.90	341.99	(345.20)	(194.19)
Other Comprehensive Income	(0.15)	0.90	0.24	0.57
Total Comprehensive Income	913.75	342.89	(344.96)	(193.62)
Earnings per units equity share (Basic) (Diluted)	2.20	0.82 0.82	As at March 31, 2022, the units were not issued by Highways Infrastructure Trust. Hence the disclosures in respect of Earnings per Unit have not been given.	As at March 31, 2021, the units were not issued by Highways Infrastructure Trust. Hence the disclosures in respect of Earnings per Unit have not been given.
Cash Flow	For the period ended September 30, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
Net cash from used in/ generated from operating activities (A)	-	5,027.86	3,074.53	2,845.33
Net cash from used in/ generated from investing activities (B)	-	(1,185.79)	(242.01)	269.93
Net cash from used in/ generated from financing activities (C)	-	(3,858.78)	(3,176.50)	(3,210.36)
Net increase/decrease in cash and cash Equivalents	-	(16.71)	286.01	(95.10)
Opening balance of cash and cash equivalents	-	365.82	79.81	174.91
Cash and cash equivalents at the end of period	-	349.11	365.82	79.81
Additional Information	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Net worth	3,448.67	4,381.66	388.86	733.82
Cash and Cash Equivalents	-	349.11	365.82	79.81
Current Investments	-	648.60	2,152.39	2,156.37
Net Sales	3,377.15	6,152.35	5,866.56	5,085.04
Earnings before interest, taxes, depreciation and amortization	2,357.49	4,321.04	4,152.55	3,437.59
Earning before interest	1,679.74	3,155.07	3,135.11	2,517.79

and tax				
Dividend amount	-	0.00	0.00	0.00
Debt equity ratio	4.26	3.27	-	-
Debt service coverage ratio	1.98	0.20	-	-
Interest service coverage ratio	3.18	1.97	-	-
Current ratio	-	2.47 times	-	-
Long term debt to working capital	-	6.88 times	-	-
Current liability ratio – current liabilities/ non-current liabilities	-	6.91%	-	-
Total Debts to total assets	-	63.33%	-	-

Refer Notes

1) The information for the FY 2022-23 has been updated based Consolidated Financial Statements, while information for FY 2021-22 and 2020-21 has been based on Combined Financial Statements. Ratios in the additional information have been updated using consolidated results in accordance with Regulations.

2) The independent auditor's review report on consolidated half yearly financial statements includes the unaudited consolidated statement of profit and loss, (including Other Comprehensive Income), for the half year ending on September 30, 2023 and other explanatory notes thereto and additional disclosures as required in Chapter 4 including paragraphs 4.18 of the SEBI Circular SEBI/HO/DDHS/PoD-2/P/CIR/2023/115; of the Trust and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group') ('the Statement').

3) Total Assets includes the below assets also which are not mentioned in the above table (iii) (a)

(₹ million)

Parameters	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Non-current tax assets (net)	-	83.57	89.40	74.29

4) Total Liabilities includes the below liabilities also which are not mentioned in the above table (iii) (a)

(₹ million)

Parameters	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Current tax liabilities (net)	-	0.00	4.29	15.06

5) The Profit/ loss after Tax for period includes the below expenses

(₹ million)

Parameters	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Tax Expense	36.12	622.49	704.76	(28.54)

Standalone basis:

(in ₹ Million)

Balance Sheet	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021
Assets				
Property, Plant and Equipment (including Capital Work in Progress and Investment Property)	0.00	0.00	0.00	-
Intangible Assets (including	0.00	0.00	0.00	-

Intangible Assets under Development)				
Financial Assets (Current and Non-Current)	48,065.01	50,150.81	0.00	-
Other Non-Current Assets	-	0.00	0.00	-
Current Assets	47.39	3.02	0.00	-
Total assets	48,112.40	50,154.99	0.00	-
Liabilities				
Financial Liabilities	14,165.75			-
- Borrowings (including interest)	0.00	14,251.67	0.00	
- Other financial liabilities		0.00	0.00	
Non-Current Liabilities	0.00	0.00	0.00	-
Current Liabilities	110.06	68.44	0.00	-
Total Liabilities	14,275.80	14,320.11	-	-
Provisions	0.00	0.00	0.00	-
Equity (equity share capital and other equity)	33,836.60	35,834.88	0.00	-
Total equity and liabilities	48,112.40	50,154.99	0.00	-
Profit and Loss	For the period ended September 30, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021
Total revenue from operations	2,003.24	3,224.14	0.00	-
Other Income	36.40	42.75	0.00	-
Total Income	2,039.64	3,266.89	0.00	-
Total Expenses	804.33	777.57	0.00	-
Profit/ loss after Tax for the period	(196.84)	426.46	0.00	-
Other Comprehensive Income	0.00	0.00	0.00	-
Total Comprehensive Income	(196.84)	426.46	0.00	-
Earnings per equity share (Basic) (Diluted)	(0.47)	1.70	0.00	-
Cash Flow	For the period ended September 30, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021
Net cash from used in/ generated from operating activities (A)	(252.83)	(130.14)	0.00	-
Net cash from used in/ generated from investing activities (B)	2,517.39	(11,287.21)	0.00	-
Net cash from used in/ generated from financing activities (C)	(2,471.36)	11,682.89	0.00	-
Net increase/decrease in cash and cash Equivalents	(206.80)	265.54	0.00	-
Opening balance of cash and cash equivalents	265.54	0.00	0.00	-
Cash and cash equivalents at	58.74	265.54	0.00	-

the end of period /year				
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Refer Notes

1) The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on December 3, 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on December 3, 2021 having registration number IN/InvIT/ 21-22/ 0019. Accordingly, the financial information for the financial year ended March 31, 2022 is given from December 3, 2021 to March 31, 2022.

2) The standalone unaudited financial results for half year ended September 30, 2023 comprises the standalone statement of profit and loss, and other explanatory notes pursuant to requirements of Regulation 23 of Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 (as amended) ('standalone unaudited financial results').

3) The Profit/ loss after Tax for period includes the below expenses:

Parameters	As at September 30, 2023 (unaudited)	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
Exceptional items	1,417.91	2,044.59	0.00	-
Tax Expense	14.24	18.27	0.00	-

(f) **Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability**

i. **Consolidated:**

Contingent liabilities and claims			
Particulars	As at March 31, 2023 (in ₹ million)	As at March 31, 2022 (in ₹ million)	
Sales tax / service tax and income tax cases in respect of which Group is in appeals	138.19	138.19	
Income tax cases in respect of Group	4.03	-	
Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals *	221.19	221.19	
Labour welfare dues in respect of which Group is in appeals*	47.78	47.78	
Total	411.19	407.16	

**The said contingent liability is covered under pass through arrangement as per assignment agreement of the project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability in (net) will devolve on the Trust.*

ii. **Standalone:**

Contingent Liabilities and Claim: NIL

(g) **The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a Project SPV, Investment Manager, Project Manager etc.) on behalf of whom it has been issued**

NA

(h) **A brief history of the Issuer since its registration giving details of its following activities:**

The Highways Trust has been settled by the Erstwhile Investment Manager (acting as the settlor) on the instructions of the Sponsor, as a contributory, determinate and irrevocable trust under the provisions of the Trusts Act in Mumbai, India, pursuant to the Trust Deed. The Trust has been registered with the SEBI as an infrastructure investment trust under the InvIT Regulations on December 23, 2021 having registration number IN/InvIT/21-22/0019. The Erstwhile Investment Manager irrevocably transferred to the InvIT Trustee an amount of ₹ 10,000 towards the initial corpus of the Highways Trust, with an intention to settle

and establish the Highways Trust. This initial corpus of the Highways Trust shall, in no event, be distributed to the Erstwhile Investment Manager. Additionally, Virescent Infrastructure Investment Manager Private Limited had been appointed as the investment manager to the Highways Trust, and Virescent Renewable Energy Project Manager Private Limited had been appointed as the project manager to the Highways Trust. However, the Erstwhile Investment Manager and the Erstwhile Project Manager resigned from their positions as the investment manager and the project manager of the Highways Trust on October 18, 2022. Upon receipt of the resignation, the InvIT Trustee appointed Highway Concessions One Private Limited as the Investment Manager pursuant to Investment Management Agreement dated October 20, 2022. Such appointment was effective from November 23, 2022, upon receipt of approval from the Unitholders on November 14, 2022 and SEBI on November 22, 2022. Accordingly, Highway Concessions One Private Limited is the current Investment Manager of the Highways Trust. Simultaneously, the InvIT Trustee appointed HC One Project Manager Private Limited as the Project Manager of the Highways Trust pursuant to project management agreement dated October 20, 2022. Such appointment was effective from receipt of approval from the Unitholders on November 14, 2022. Accordingly, HC One Project Manager Private Limited is the current Project Manager.

(i) **Details of Unit capital as on the quarter ended December 31, 2023:**

No. of Units	Unit Capital
481,431,294	₹ 48,143,129,400

(ii) **Details of Unit Capital for the preceding three financial years and the current financial year:**

Date of Allotment	Number of Units#	Face Value	Issue Price	Consideration (Cash/ other than cash etc)	Nature of Allotment	Cumulative			Remarks
						No. of Units	Unit Capital	Unit Premium	
August 23, 2022 - swap	37,39,00,000*	100	100	Cash	Swap under formation transaction	-	-	-	-
August 24, 2022 - Initial offer	4,16,00,000 ^{Note 1}	100	100	Cash	Initial Public Offer	41,55,00,000	41,55,00,00,000	0	-
October 13, 2023	6,59,31,294 ^{Note 2}	100	77.96	Cash	Right Issue	48,14,31,294	46,69,00,03,680* *	0	-

On December 18, 2023, Board of directors of the Highway Concession One Private Limited acting on behalf of the Highway Trust has approved the issuance of up to 26,54,54,540 Units of Highways Trust at an issue price of ₹ 82.50 per Unit for an aggregate amount of up to ₹ 21,89,99,99,550 on a preferential basis on such terms and conditions as may be determined by the Board in accordance with the InvIT Regulations. This issue of units of preferential basis is subject to approval of unitholders. Issuance of preferential allotment will impact the unit capital of the Trust.

*Swap under formation transaction

**summation of all unit capital raised until date.

Note 1: Initial Offer by way of fresh issue 4,16,00,000* Units aggregating to ₹ 4,160 million.

Note 2 : On October 13, 2023, Trust allotted 6,59,31,294 Units at ₹ 77.96 per unit to the Eligible Unitholders of the Trust in terms of the Letter of Offer dated September 25, 2023 and addendum to the letter of offer. The allotment was undertaken based on the basis of allotment finalized in consultation with the lead manager to the issue and the registrar to the rights issue and National Stock Exchange of India Limited, the designated stock exchange ("Stock Exchange"). In-principal approval for listing of the above units was received on October 16, 2023 from the Stock Exchange and the allotted units were listed the Stock Exchange w.e.f October 17, 2023

(iii) **Changes in its capital structure as at last quarter end, for the for the preceding three financial years and the current financial year:- (the units were listed on August 25, 2022)**

Date of Change (AGM/EGM)	Particulars
NA	NA

(iii) Details of any Acquisition or Amalgamation with any entity in the preceding 1 (One) year:

The Highway Infrastructure Trust has acquired four new SPVs namely; (i) Udupi Tollway Pvt Ltd, (ii) Gurgaon Sohna Highways Private Limited, (iii) Rewari Ateli Highway Private Limited and (iv) Ateli Naranaul Highway Private Limited in the month of November 2023. For further details, please refer to chapter titled “*Overview and a brief summary of the business activities of the Issuer*” at page 26 for further details regarding new SPVs.

(iv) Details of any Reorganization or Reconstruction in the preceding 1 (One) year:

N.A.

(v) Details of the unitholding of the Issuer as at the latest quarter ended December 31, 2023, as per the format specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Unitholding Pattern							
Sr.	Category of the Unitholder	No of Units Held	As a % of the Total Outstanding Units	No of Units mandatorily held		No of Units pledged or otherwise encumbered	
				No. of Units	As a % of total Units held	No.of Units	As a % of total Units held
A	Sponsor(s)/ Investment Manager / Manager / Project Manager and their associates/ related parties and Sponsor Group, as may be applicable						
1	Indian						
a	Individuals/ HUF	0	0.00	0	0.00	0	0.00
b	Central/ State Govt.	0	0.00	0	0.00	0	0.00
c	Financial Institutions/ Banks	0	0.00	0	0.00	0	0.00
d	Other Indian unit holding						
	Sub - Total (A) (1)	0	0.00	0	0.00	0	0.00
2	Foreign						
a	Individuals (Non-Resident Indians/ Foreign Individuals)	0	0.00	0	0.00	0	0.00
b	Foreign Government	0	0.00	0	0.00	0	0.00
c	Institutions	0	0.00	0	0.00	0	0.00
d	Foreign Portfolio Investors	0	0.00	0	0.00	0	0.00
e	Other foreign unit holding	373,900,000	77.66	72,217,857	15.00	0	0.00
	Sub - Total (A) (2)	373,900,000	77.66	72,217,857	15.00	0	0.00
	Total Unit holding of Sponsor & Sponsor Group (A) = (A)(1) + (A)(2)	373,900,000	77.66	72,217,857	15.00	0	0.00
B	Public Holding						
1	Institutions						
a	Mutual Funds	0	0.00	0	0.00	0	0.00
b	Finance Institutions or Banks	0	0.00	0	0.00	0	0.00
c	Central/ State Govt.	0	0.00	0	0.00	0	0.00
d	Venture Capital Funds	0	0.00	0	0.00	0	0.00
e	Insurance Companies	0	0.00	0	0.00	0	0.00
f	Provident or Pension Funds	0	0.00	0	0.00	0	0.00

g	Foreign Portfolio Investors	0	0.00	0	0.00	0	0.00
h	Foreign Venture Capital Investors	0	0.00	0	0.00	0	0.00
i	Other institution unit holding						
	Sub - Total (B) (1)	0	0.00	0	0.00	0	0.00
2	Non-Institutions						
a	Central/ State Govt. or President of India	0	0.00	0	0.00	0	0.00
b	Individuals	9,221,962	1.92	0	0.00	0	0.00
c	NBFCs registered with RBI	0	0.00	0	0.00	0	0.00
d	Other Non-Institutions Unit Holding	98,309,332	20.42	0	0.00	0	0.00
i	Trusts	0	0.00	0	0.00	0	0.00
ii	Non-Resident Indians	0	0.00	0	0.00	0	0.00
iii	Clearing Members	0	0.00	0	0.00	0	0.00
iv	Body Corporates	4513084	0.94	0	0.00	0	0.00
v	Other Non-Institutions Holding - Any other(Specify)	93,796,248	19.48	0	0.00	0	0.00
	Sub - Total (B) (2)	107,531,294	22.34	0	0.00	0	0.00
	Total Public Holding (B) = (B)(1) + (B)(2)	107,531,294	22.34	0	0.00	0	0.00
	Total Units Outstanding (C) = (A) + (B)	481,431,294	100.00	72,217,857	15.00	0	0.00

(vi) **List of top 10 (Ten) holders of units of the Trust as at the latest quarter ended December 31, 2023 :**

Sr. No.	Name of the Unitholders	Total number of Units	Number of Units in Demat form	Total contribution of unitholders % of Total number of Units
1.	Galaxy Investments II Pte. Ltd	373,900,000	373,900,000	77.65
2.	2452991 Ontario Limited	93,796,248	93,796,248	19.48
3.	Falguni Sanjay Nayar	3,113,084	3,113,084	0.65
4.	Sankhya Financial Services Pvt Ltd	3,113,084	3,113,084	0.65
5.	Vivek Mehrotra	913,084	913,084	0.19
6.	Sanjeev Kumar Juneja	656,542	656,542	0.14
7.	Ranbir Rishi Kapoor	456,542	456,542	0.09
8.	Rohit Gurunath Sharma	456,542	456,542	0.09
9.	Aamir Khan	456,542	456,542	0.09
10.	Bimal Parekh	456,542	456,542	0.09
Total		477,318,210	477,318,210	99.15

(i) **Details regarding the directors of the Investment Manager:**

(i) **Details of the current directors of the Investment Manager:**

Name, DIN and Designation	Age (yrs.)	Address	Date of Appointment	Details of other Directorship	Whether wilful defaulter (Yes/No)
Mr. Hardik Badrik Shah DIN: 06648474 Designation: Non-executive Director	39	304, Sagar Darshan 8, Worli Sea Face, Khan Abdul Gaffar Khan Road, Worli, Mumbai- 400030, Maharashtra, India.	December 17, 2021	1. LEAP India Private Limited 2. IndiGrid Investment Managers Limited 3. Serentica Renewables India Private Limited	No
Mr. Neeraj Sanghi DIN: 05110400 Designation: Chief Executive officer cum Whole-time Director	60	B/1002, Buena Vista, Geetanjali CHS, Bldg- 29, Nr. Ration Office, Kherwadi, Bandra (East), Mumbai- 400055, Maharashtra, India.	December 17, 2021	1. Nirmal BOT Private Limited (<i>formerly known as Nirmal BOT Limited</i>) 2. Bangalore Elevated Tollway Private Limited 3. Ulundurpet Expressways Private Limited 4. Dewas Bhopal Corridor Private Limited 5. Jodhpur Pali Expressway Private Limited 6. Shillong Expressway Private Limited 7. HC One Project Manager Private Limited 8. Godhra Expressways Private Limited	No
Ms. Ami Vinoo Momaya DIN: 06836758 Designation: Non-Executive Director	42	L-144, Maker Tower, GD Somani Marg, Cuffe Parade, Mumbai- 400005, Maharashtra India.	January 24, 2022	1. Indigrid Investment Managers Limited 2. LEAP India Private Limited	No
Mr. Subramanian Janakiraman DIN: 05299205 Designation: Independent Non-Executive Director	62	Villa 120B, Aqua Lily, Mahindra World City, Natham Chengalpattu, Kanchipuram, Tamil Nadu- 603002, India.	March 04, 2022	NA	No
Mr. Manish Agarwal DIN: 09730028 Designation: Independent Non-Executive Director	53	1403-1404, Sky Flama, Dosti Flamingo, Tokersi Jivaraj Road, Sewri- 400015, Maharashtra, India.	September 14, 2022	1. Project Mumbai Civic Transformation Foundation	No

Mr.Sudha Krishnan DIN: 02885630 Designation: Independent Non-Executive Director	62	L- 3, Hauz Khas Enclave, Hauz Khas, South Delhi- 110016, India.	September 14, 2022	1. Graphite India Limited 2. IDFC Financial Holding Company Limited 3.SBI Funds Management Limited 4. National E-Governance Services Limited	No
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None of the current directors' name appears in the RBI defaulter list and/or ECGC default list or are a willful defaulter.

(ii) Details of change in Directors of the Investment Manager in the preceding 3 (Three) financial years and current financial year:

S No.	Name, Designation and DIN	Date of Appointment	Date of Cessation , if applicable	Date of Resignation, if applicable	Remark/reasons for change
Pursuant to the Investment Management Agreement dated December 6, 2021, Virescent Infrastructure Investment Manager Private Limited was appointed as the first Investment Manager of the Trust ("erstwhile investment manager"), in accordance with the provisions of the InvIT Regulations. Thereafter, Highway Concessions One Private Limited, the current Investment Manager was appointed as the Investment Manager of the Trust since November 23, 2022.					
A. The details of change of board of Directors of the erstwhile investment manager since the date of registration of the Trust are mentioned as under: -					
1.	Mr. Hardik Badrik Shah Designation: Non-executive Director DIN: 06648474	Since registration of the Trust w.e.f. December 23, 2021	Cessation w.e.f. November 23, 2022	NA	Cessation due to change in the Investment Manager
2.	Mr. Sanjay Grewal Designation: Executive Whole-Time Director DIN: 01971866	Since registration of the Trust w.e.f. December 23, 2021	Cessation w.e.f. November 23, 2022	NA	Cessation due to change in the Investment Manager
3.	Mr. Panja Pradeep Kumar Designation: Independent Non-Executive Director DIN: 03614568	Since registration of the Trust w.e.f. December 23, 2021	Cessation w.e.f. November 23, 2022	NA	Cessation due to change in the Investment Manager
4.	Mr. Akshay Jaitly Designation: Independent Non-Executive Director DIN: 00042036	Since registration of the Trust w.e.f. December 23, 2021	Cessation w.e.f. November 23, 2022	NA	Cessation due to change in the Investment Manager
5.	Ms. Daisy Devassy Chittilapilly Designation: Independent Non-Executive Director DIN: 09577569	Since registration of the Trust w.e.f. December 23, 2021	Cessation w.e.f. November 23, 2022	NA	Cessation due to change in the Investment Manager
6.	Mr. Aditya Narayan	Since registration of the Trust	Cessation w.e.f. November 23,	NA	Cessation due to change in the

	Designation: Non-Executive Director DIN: 00012084	w.e.f. December 23, 2021	2022		Investment Manager
B. The details of change of board of Directors of the current investment manager, Highway Concessions One Private Limited, since the date of registration of the Trust are mentioned as under: -					
7.	Mr. Hardik Badrik Shah Designation: Non-executive Director DIN: 06648474	Date of Appointment December 17, 2021	NA	NA	Appointment
8.	Ms. Ami Vinoo Momaya Designation: Non-Executive Director DIN: 06836758	Date of Appointment January 24, 2022	NA	NA	Appointment
9.	Mr. Neeraj Sanghi Designation: Chief Executive officer cum Whole-time Director DIN: 05110400	Date of Appointment December 17, 2021	NA	NA	Appointment
10.	Mr. Subramanian Janakiraman Designation: Independent Non-Executive Director DIN: 05299205	Date of Appointment March 4, 2022	NA	NA	Appointment
11.	Mr. Manish Agarwal Designation: Independent Non-Executive Director DIN: 09730028	Date of Appointment September 14, 2022	NA	NA	Appointment
12.	Ms. Sudha Krishnan Designation: Independent Non-Executive Director DIN: 02885630	Date of Appointment September 14, 2022	NA	NA	Appointment
13.	Narayanan Doraiswamy Designation: Director DIN: 03169791	Date of Appointment December 17, 2021	NA	NA	Appointment
14.	Narayanan Doraiswamy Designation: Director DIN: 03169791	NA	NA	April 27, 2022	Resignation
15.	Milind Mukund Doshi Designation: Nominee	NA	NA	December 17, 2021	Resignation

	Director DIN: 026685576				
16.	Aditya Suresh Aggarwal Designation: Nominee Director DIN: 02836414	NA	NA	December 17, 2021	Resignation
17.	Narayanan Gopalakrishnan Designation: Nominee Director DIN: 05166322	NA	NA	December 17, 2021	Resignation
18.	Ankur Rajendra Srivastava Designation: Nominee Director DIN:06750010	NA	NA	December 17, 2021	Resignation
19.	Manish Jindal Designation: Nominee Director DIN: 02000825	NA	NA	December 17, 2021	Resignation

(ii) **Details of Directors' remuneration and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding 3 (three) financial years):**

a) **Remuneration payable or paid to a Board of Directors by the Issuer, its Sponsor, Investment Manager shareholding of the Board of Directors in the Trust, on a fully diluted basis:**

a. Remuneration of Directors

Year	Amount (in ₹ million.)
Current Year (as on December 31, 2023)	32.70
FY 2022-23	11.02
FY 2021-22	NA
FY 2020-21	N.A

**Total included Remuneration, Sitting Fees and other variable cost*

b. Unitholding of Directors as on December 31, 2023:

NA

(iii) **Appointment of any relatives to an officer or place of profit of the Issuer, its Sponsor, Investment Manager and Project SPVs:**

NA

(iv) **Full particulars of the nature and extent of interest, if any, of the Board of Directors:**

- (a) In the promotion of the Issuer; NIL
- (b) In any immovable property acquired by the Issuer in the two years preceding the date of the General Information Document or any immovable property proposed to be acquired by it: NIL
- (c) Where the interest of such a Board of Directors consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums

paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a Board of Directors, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed: NIL

- (v) **Contribution being made by the Board of Directors of the Investment Manager as part of the offer or separately in furtherance of such objects:**

NA

- (j) **Any financial or other material interest of the Board of Directors of the Investment Manager, Sponsors, key managerial personnel or senior management in the Issue and the effect of such interest in so far as it is different from the interests of other persons:**

NA

- (k) **Following details regarding the auditors of the Trust:**

Details of the auditors of the Trust:

Name: Walker Chandio & Co LLP
Address: 21st floor, DLF Square Jacaranda Marg,
DLF Phase II Gurugram, Haryana –122002
Tel: +91 124 462 8000
E-mail: Manish.Agrawal@walkerchandio.in
ICAI Firm Registration Number: 001076N/N500013
Peer Review Certificate Number: 014158
Date of Appointment: March 22, 2022

- (i) **Details of change in auditor for preceding 3 (Three) financial years and current financial year:**

Except as disclosed below there has been no change in the auditor for proceeding 3 (three) financial years and the current financial year:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
Walker Chandio & Co LLP	21st floor, DLF Square Jacaranda Marg, DLF Phase II Gurugram, Haryana- 122002	March 22, 2022	NA	NA

The summary of reservations or qualifications or adverse remarks of auditors in the 3 (three) financial years immediately preceding the year of issue of the General Information Document, and of their impact on the financial statements and financial position of the Issuer, and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remarks:

- (l) **Qualification in Consolidated Audit Report:** There are no reservations and qualifications or adverse remarks highlighted by auditors since incorporation of the Trust.
- (m) **Qualification in Standalone Audit Report:** There are no reservations and qualifications or adverse remarks highlighted by auditors since incorporation of the Trust.
- (n) **Details of the following liabilities of the Issuer, as at the end of the preceding quarter or if available, a later date:**
- (i) **Details of Outstanding Secured Loan Facilities as on December 31, 2023:**

Name of the lender	Type of facility	Amount sanctioned (in ₹ million)	Principal amount outstanding as on December 31, 2023 (in ₹ million)	Repayment Date/ schedule	Security	Credit rating, if applicable	Asset classification
Axis Bank Ltd.	RTL 1	1,000	482	Quarterly (Maturity Date March 31, 2036)	Please refer note 1	IND AAA/Stable, CRISIL AAA/Stable	Standard
ICICI Bank Ltd	RTL 1	13,571	4,875	Quarterly (Maturity Date March 31, 2036)	Please refer note 1	IND AAA/Stable, CRISIL AAA/Stable	Standard
State Bank of India	RTL 1	13,660	2,412	Quarterly (Maturity Date March 31, 2036)	Please refer note 1	IND AAA/Stable, CRISIL AAA/Stable	Standard
Axis Bank Ltd.	RTL 2	6,000	1,111	Quarterly (Maturity Date March 31, 2036) ⁽¹⁾		IND AAA/Stable, CRISIL AAA/Stable	Standard
ICICI Bank Ltd	RTL 2	10,000	1,605	Quarterly (Maturity Date March 31, 2036) ⁽¹⁾		IND AAA/Stable, CRISIL AAA/Stable	Standard
State Bank of India	RTL 2	9,500	2,200	Quarterly (Maturity Date June 30, 2036) ⁽¹⁾		IND AAA/Stable, CRISIL AAA/Stable	Standard
India Infrastructure Finance Company Limited	RTL 2	16,000	3,837	Quarterly (Maturity Date June 30, 2036)		IND AAA/Stable, CRISIL AAA/Stable	Standard

(1) In the event of non-occurrence of GEPL Concession Extension within 2 (two) years from the date of First Disbursement the maturity date will be March 31, 2036, otherwise June 30, 2040.

Note 1:

Rupee Loans and Non-Convertible Debentures raised by Highways Infrastructure Trust are secured by:

1. *first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:*
 - (a) *all receivables of the Issuer from the HoldCos and SPVs;*
 - (b) *loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;*
 - (c) *dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;*
 - (d) *inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and*
 - (e) *all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;*
2. *first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. it is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;*
3. *first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs;*

4. *first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;*
5. *first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;*
6. *a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities");*
7. *undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee ; and*
8. *unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the InvIT Trustee (the "Corporate Guarantee")*

Note: Bank Guarantee Facility sanctioned amt is Rs. 750 million out of which Rs. 316.10 million availed (Credit Rating – IND AAA/Stable)

(ii) **Details of Outstanding Unsecured Loan Facilities:**
NA

(iii) **Details of Outstanding non-convertible securities as on December 31, 2023:**

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount of outstanding (in ₹ million)	Date of allotment	Redemption date/schedule	Credit rating	Secured/ unsecured	Security
Series I	INE0KXY07018	December 22, 2025	7.81%	3,950	September 23, 2022	Quarterly (Maturity Date December 22, 2025)	IND AAA/Stable , CRISIL AAA/Stable	Secured	Please refer to Note: 1
Series II	INE0KXY07026	September 22, 2029	8.25%	2,469	September 23, 2022	Quarterly (Maturity Date September 22, 2029)	IND AAA/Stable , CRISIL AAA/Stable	Secured	Please refer to Note: 1

Note 1:

Rupee Loans and Non-Convertible Debentures raised by Highways Infrastructure Trust are secured by

1. *first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust ('the Issuer'), present and future, including but not limited to:*
 - (a) *all receivables of the Issuer from the HoldCos and SPVs;*
 - (b) *loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;*
 - (c) *dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;*
 - (d) *inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and*
 - (e) *all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;*
2. *first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;*
3. *first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs;*

4. *first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;*
5. *first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;*
6. *a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities");*
7. *undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee ; and*
8. *unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the InvIT Trustee (the "Corporate Guarantee")*

(iv) Details of Outstanding Commercial Papers issuances as on December 31, 2023:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount of outstanding (in ₹ million)	Date of allotment	Redemption date/schedule	Credit rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
Series-1	INE0KXY14014	328 days	8.30%	2,750	October 31, 2023	September 23, 2024	a) IND A1+/ Assigned from India Rating & Research b) CRISIL A1+ from CRISIL Ratings Limited	Unsecured	NA	Issuing and Paying Agent: ICICI Bank Credit Rating Agency: India Ratings and Research and CRISIL Ratings Limited

(v) List of Top 10 (Ten) holders of non-convertible securities in terms of value (on a cumulative basis) as on December 31, 2023:

Serial No.	Name of Holder	Category of Holder	Face value of holding (in ₹)	Holding as a % of total outstanding non-convertible securities of the Highway Trust
1	ICICI Bank Limited	CBO	49,37,50,000	8%
2	NILDF- Nippon India Low Duration Fund	MF	1,72,81,25,000	27%
3	SBI Corporate Bond Fund	MF	1,72,81,25,000	27%
4	India Infrastructure Finance Company Ltd (NCD)	CBO	2,46,87,50,000	38%

(vi) List of Top 10 (Ten) holders of Commercial Paper in terms of value (in cumulative basis) as on December 31, 2023:

S.No.	Name of holders	Category of holder	Face value of holding	Holding as a % of total commercial paper outstanding of the Trust
1	SBI Mutual Fund – SBI Saving Fund	MF	275,00,00,000	100 %

- (vii) **Details of the bank fund based facilities / rest of borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions or financial creditors as on December 31, 2023:**

NA

- (o) **The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash).**

None

- (p) **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Trust, in the preceding 3 (Three) years including the current financial year:**

None

- (q) **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Sponsors, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities:**

- The Highway Infrastructure Trust has acquired four new SPVs namely; (i) Udupi Tollway Pvt Ltd, (ii) Gurgaon Sohna Highways Private Limited, (iii) Rewari Ateli Highway Private Limited and (iv) Ateli Naranaul Highway Private Limited in the month of November 2023. For further details, please refer to chapter titled “*Overview and a brief summary of the business activities of the Issuer*” at page 26 for further details regarding new SPVs.
- Mr. Narayanan Doraiswamy resigned from the position of chief financial officer of the Company with effect from December 31, 2023.
- Mr. Abhishek Chhajera has been appointed as a new chief financial officer of the Company with effect from January 1, 2024.
- On October 13, 2023, Trust allotted 6,59,31,294 Units at ₹ 77.96 per unit to the Eligible Unitholders of the Trust in terms of the Letter of Offer (Rights Issue) dated September 25, 2023 and addendum to the letter of offer. The allotment was undertaken based on the basis of allotment finalized in consultation with the lead manager to the issue and the registrar to the rights issue and National Stock Exchange of India Limited, the designated stock exchange (“Stock Exchange”).
- On October 31, 2023, Trust issued rated, listed, unsecured commercial paper with issue size of ₹ 2,750 million with credit rating of a) IND A1+ Assigned from India Rating & Research Limited b) CRISIL A1+ from CRISIL Ratings Limited.
- On December 18, 2023, Board of directors of the Highway Concession One Private Limited acting on behalf of the Highway Trust has approved the issuance of up to 26,54,54,540 Units of Highways Trust at an issue price of ₹ 82.50 per Unit for an aggregate amount of up to ₹ 21,89,99,99,550 on a preferential basis on such terms and conditions as may be determined by the Board in accordance with the InvIT Regulations.

- (r) **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the 3 (Three) years immediately preceding the year of the issue of the General Information Document against the Sponsor or the Trust:**

NIL

- (s) **Details of default and non-payment of statutory dues for the preceding 3 (Three) financial years**

and the current financial year:

NA

- (t) **Details of pending litigation involving the Issuer, Sponsor, Investment Manager, InvIT Trustee or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the Debentures:**

The disclosures with respect to material litigations and non-ordinary course regulatory actions relating to the Sponsor and its associates (other than the Highways Infrastructure Trust and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their Associates), have been made solely on the basis of the public disclosures made by KKR & Co. Inc. ("KKR & Co.") in the most recent quarterly report on Form 10-Q filed with U.S. Securities and Exchange Commission on November 9, 2023 relating to the quarter ended March 31, 2023 with respect to all entities, which are consolidated for financial reporting purposes with KKR & Co., which is listed on the New York Stock Exchange. In accordance with applicable securities law and stock exchange rules, KKR & Co., is required to disclose material litigations through applicable securities filings and KKR & Co., and has made no public filings with the SEC after November 9, 2023 which materially changes the disclosures made in that regard in such quarterly report. The threshold for identifying material litigations in such disclosures is based, among other considerations, on management judgment and periodically reviewed thresholds applied by the independent auditor of KKR & Co., in expressing its opinion on the financial statements.

In accordance with the abovementioned, except as stated below, there are no pending material litigation and regulatory action, which are not in the ordinary course of business against the Sponsor solely on the basis described above.

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory proceedings against them. In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers were named as defendants in a lawsuit filed in Kentucky state court alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. KKR and other defendants' motions to dismiss were denied by the trial court in November 2018, but in April 2019 the Kentucky Court of Appeals vacated the trial court's opinion and order denying the motions to dismiss the case for lack of standing.

The decision of the Court of Appeals was appealed by plaintiffs to the Supreme Court of Kentucky. On July 9, 2020, the Supreme Court of Kentucky reversed the trial court's order and remanded the case to the trial court with direction to dismiss the complaint for lack of constitutional standing. On July 20, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a motion to intervene as a plaintiff in the lawsuit and on July 21, 2020 filed a new lawsuit in the same Kentucky trial court making essentially the same allegations against the defendants, including KKR & Co. Inc. and Messrs. Kravis and Roberts. On July 29, 2020, certain private plaintiffs in the original lawsuit filed a motion to further amend their original complaint and to add new plaintiffs. On July 30, 2020, KKR and other defendants filed objections to the Attorney General's motion to intervene. On December 28, 2020, the trial court dismissed the complaint filed by the original plaintiffs and denied their motion to amend their original complaint and add new plaintiffs, but granted the Office of the Attorney General's motion to intervene. In January 2021, some of the attorneys for the private plaintiffs in the original lawsuit filed a new lawsuit, and a motion to intervene in the original lawsuit, on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems, alleging substantially the same allegations as in the original lawsuit.

The motion to intervene in the original lawsuit was denied. These "Tier 3" plaintiffs appealed the denial of their motion to intervene but then voluntarily dismissed their appeal on January 31, 2022. In addition, the Kentucky Retirement Systems had commissioned an investigation into certain matters alleged in the Attorney General's complaint. The trial court ordered that this investigation be completed by May 17, 2021, and the Attorney General was permitted to amend its complaint after reviewing the investigation's report within ten days of the Attorney General's receipt of it. On May 24, 2021, the Attorney General filed a First Amended Complaint on behalf of the Commonwealth of Kentucky. This complaint continues to name KKR & Co. L.P. and its then Co-Chief Executive Officers, as defendants, and makes similar allegations against them. KKR and

the other defendants moved to dismiss the First Amended Complaint on July 30, 2021. The court held oral argument on these motions to dismiss on December 14, 2021. On July 9, 2021, the individual plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("**RICO**").

This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the Attorney General's lawsuit on behalf of the Commonwealth. On August 20, 2021, the same and other individual plaintiffs filed a second complaint in Kentucky state court, purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against KKR & Co. Inc. and Messrs. Kravis and Roberts as in the July 9th amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the August 20, 2021 complaint by the Tier 3 plaintiffs, whose motions are awaiting a decision from the Kentucky state court. On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to KKR & Co. Inc. and Prisma Capital Partners LP, the Kentucky state court found that it has personal jurisdiction over KKR & Co. Inc., and this finding is currently being appealed by KKR. On May 27, 2022, following a motion by KKR, the judge then adjudicating the lawsuits recused himself from the original 2017 action and the second Tier 3 action, and a new judge was assigned. On December 9, 2022, the new judge issued an order that held in abeyance the motions to dismiss filed by KKR and other defendants pending the outcome of appeals which challenge the trial court's December 28, 2020 order granting the Attorney General's motion to intervene.

On April 14, 2023, the Kentucky Court of Appeals ruled in favor of KKR and the other defendants in their appeal of the trial court's December 28, 2020 order granting the Kentucky Attorney General's motion to intervene in the 2017 action, including that the trial court should have dismissed the entire 2017 action after the Kentucky Supreme Court's 2020 decision. On May 4, 2023, the Attorney General filed a petition for rehearing with the Court of Appeals. The Court of Appeals denied the petition for rehearing. On July 6, 2023, the Attorney General filed with the Kentucky Supreme Court a motion for discretionary review of the Court of Appeals' decision. The Court of Appeals' April 14, 2023 decision does not dismiss the Kentucky Attorney General's standalone lawsuit filed on July 21, 2020, which KKR & Co. Inc., Messrs. Kravis and Roberts and other defendants moved to dismiss on September 14, 2023.

KKR (including Global Atlantic) currently is and expects to continue to become, from time to time, subject to examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, U.S. Department of Justice, U.S. state attorney generals, Financial Industry Regulatory Authority, the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings or the imposition of fines, penalties, or other remedies against KKR or its personnel. KKR is presently subject to investigations by the U.S. Department of Justice related to antitrust matters, including with respect to (i) the premerger notification requirements under the Hart-Scott-Rodino Act of 1976 with respect to certain filings that KKR made for transactions in 2021 and 2022 and (ii) the restrictions on interlocking directorates under Section 8 of the Clayton Act. KKR is also presently subject to investigations by the SEC related to business-related electronic communications, including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Investment Advisers Act of 1940. KKR is currently cooperating with these investigations.

Moreover, in the ordinary course of business, KKR (including Global Atlantic) is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

KKR establishes an accrued liability for legal or regulatory proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters also have the possibility of resulting in losses in excess of any amounts accrued. Estimating an accrued liability or a reasonably possible loss involves significant judgment due to many uncertainties, including among others: (i) the proceeding may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved; (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties; or (vii) the proceeding relates to a regulatory examination, inquiry, or investigation. Consequently, management is unable as of the date of filing of this report to estimate an amount or range of reasonably

possible losses related to matters pending against KKR. In addition, any amounts accrued as loss contingencies or disclosed as reasonably possible losses may be, in part or in whole, subject to insurance or other payments such as contributions and/or indemnity, which may reduce any ultimate loss. KKR includes in its financial statements the reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements.

It is not possible to predict the ultimate outcome of all pending legal or regulatory proceedings, and some of the matters discussed above seek or may seek potentially large and/or indeterminate amounts. As of November 9, 2023, management has not concluded that the final resolutions of the matters pending against KKR will have a material effect upon its financial statements. However, given the potentially large and/or indeterminate amounts sought or that may be sought in certain of these matters and the inherent unpredictability of examinations, inquiries, investigations and litigations, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on KKR's financial results in any particular period.

Taxation Proceedings

The details of all outstanding tax disputes involving the Project SPVs and against the Highways Trust, Sponsor, the Project Manager, the Investment Manager, their respective Associates and the InvIT Trustee, on the basis of abovementioned, are set forth below:

1. Direct tax:

Sr. No.	Nature of the matter	Name of the Authority	Name of the Defendant/Respondent	Forum	Financial claim / impact	Notice No./ Case Number/ Application Number	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing	Total Demand as per Demand Notice u/s 156 of IT Act (Rs in Million)
1	Depreciation on road assets @ 25% on intangible is disallowed	Office of the Assistant Commissioner of Income Tax, Circle 14(1)(2), Mumbai	Godhra Expressways Private Limited	CIT (Appeal)	Completed Assessment under section 143(3); the AO added INR 666.11 Mn being excess depreciation claim at the rate of 25% on intangible asset over amortization of the same over the life of the project. Subsequently, an appeal has been filled with CIT(A) and hearing is awaited	FY 2016-17, assessed order no. ITBA/AST/S/143(3)/2019-20/1022821713(1) dated December 21, 2019 CIT appeal acknowledgement no. 293815831210120 dated October 21, 2020	A show cause notice for penalty under section 270A of the Income Tax Act was issued on May 17, 2021. GEPL has filed a response with Tax Authorities to keep the same in abeyance considering the ongoing appeal with CIT (Appeal).	An appeal has been filed with CIT(A) and hearing is awaited	0.00

2	No of year consider in amortisation working under assessment order passed u/s 143(3) need to revised	Assesment unit, Income Tax Department	Godhra Expressways Private Limited	CIT (Appeal)	Completed Assessment under section 147 r.w.s 144B of income tax act the A.O. has made addition of Rs. 2,71,44,115/- on account of Variation in respect of amortization. Subsequently, an appeal has been filled with CIT(A) and hearing is awaited	FY 2016-17, assesst order no. ITBA/AST/S/147/2023 - 24/1052705 016(1) dated May 10, 2023 CIT appeal acknowledged gement no. 212382220 080623 dated June 8, 2023	The case of the assessee was reopened as information was received that the assessee had entered into a concessionaire agreement dt 25.02.2010 with NHAI with concession period being 27 years. Construction of the highway and operation and maintenance started with effect from October 31, 2013 ie Operation date. However, it is seen that assessee had been given amortization in earlier assessment of highway of Rs 32,57,29,386/- for 22 years as per assessment order for 2017-18. Since the agreement stands valid for 24 years from year of commencement, the same should have been granted for 24 years. This has resulted in excess allowance of amortization of Rs 2,63,52,930/-.	An appeal has been filed with CIT(A) and hearing is awaited	-
3	Depreciation on road assets @ 25% on intangible is disallowed	Office of the Assistant Commissioner of Income Tax, Circle 14(1)(2), Mumbai	Godhra Expressways Private Limited	CIT (Appeal)	Completed Assessment under section 143(3); the AO added INR 417.55 Mn being excess depreciation claim at the rate of 25% on intangible asset over amortization of the same over the life of the project. Subsequently, an appeal has been filled with CIT(A) and hearing is awaited	FY 2017-18 Assessment order no. ITBA/AST/S/143(3)/2020-21/1030258 956(1) dated February 1, 2021 CIT appeal acknowledged gement no. 275339601 260221 dated February 26, 2021	Adjustment notice received u/s 143(1)(a) on profit on sale of fixed assets which was not accepted by the Company. Notice u/s 143(2) was received on September 22, 2019 and the Company submitted its reply on October 11, 2019 Assessment order was passed on February 1, 2021. As per assessment order, the AO added INR 417.56 million being excess depreciation claim @ rate 25% on intangible asset over amortisation of the same over the life of the project. Subsequently, an appeal has been filed with CIT(Appeal) and hearing is awaited.	An appeal has been filed with CIT(A) and hearing is awaited	-

							A show cause notice for penalty under section 270A of the Income Tax Act was issued on May 17, 2021. GEPL has filed a response with Tax Authorities to keep the same in abeyance considering the ongoing appeal with CIT (Appeal).		
4	Without prejudice to the above ground, on the facts and circumstances of the case and in law, the learned Assessing Officer ('learned AO') erred in making addition of Rs. 1,87,45,900 under section 56(2)(viib) of the Income-tax Act, 1961 ('the Act') as there was no amount received by the Appellant for issue of equity shares in excess of the fair market value of shares and valuation supportings provided	Assessment unit, Income Tax Department	Godhra Expressways Private Limited	CIT (Appeal)	Completed Assessment under section 147 r.w.s 144B of income tax act the Assessing Officer ('learned AO') erred in making addition of Rs. 1,87,45,900 under section 56(2)(viib) of the Income-tax Act, 1961 ('the Act') as there was no amount received by the Appellant for issue of equity shares in excess of the fair market value of shares and valuation supportings provided. Also AO erred in making addition of Rs. 1,58,380 as 'Income from other sources' when the said amount has already been offered to tax by the Company under 'Income from other sources'. an appeal has been filled with CIT(A) and hearing is awaited	FY 2014-15 Assessment Order No. ITBA/AST/S/147/2023 - 24/1052705 021(1) dated May 10, 2023 CIT(A) ACK NO : 212483150 080623 Dated June 08, 2023	Completed Assessment under section 147 r.w.s 144B of income tax act the Assessing Officer ('learned AO') erred in making addition of Rs. 1,87,45,900 under section 56(2)(viib) of the Income-tax Act, 1961 ('the Act') as there was no amount received by the Appellant for issue of equity shares in excess of the fair market value of shares and valuation supportings provided. Also AO erred in making addition of Rs. 1,58,380 as 'Income from other sources' when the said amount has already been offered to tax by the Company under 'Income from other sources'. an appeal has been filled with CIT(A) and hearing is awaited	An appeal has been filed with CIT(A) and hearing is awaited	-

5	The total interest income received from various Banks & Mutual funds, amounting to Rs. 87,73,686/- has been added to the income of the assessee in the head "Other source of Income" and there are no expenses to be allowed against this income under section 57(iii) of the act. & Rs. 17,03,927/- on account of non-allowable expenditure u/s 37 of the Act.	OFFICE OF THE ASSISTANT COMMISSIONER OF INCOME TAX CIRCLE 14(1)(2), MUMBAI	Godhra Expressways Private Limited	The erstwhile shareholder is in process of filing appeal before High Court by making request for condonation of delay	As per assessment order addition of Rs. 1,04,77,610/- has been made on account of interest income received from deposited surplus fund not added to gross total income of relevant financial year & Rs. 17,03,927/- on account of non-allowable expenditure u/s 37 of the Act.	F.Y. 2012-13 Assessment order no. ITBA/AST/S/143(3)/2022-23/1051642553(1) Dated March 29, 2023		The erstwhile shareholder is in process of filing appeal before High Court by making request for condonation of delay. Demand u/s 156 has already been adjusted against refund of subsequent financial years. The application of rectification of demand has already filed on income tax portal.	4.03
6	1. AO disallowed following - Finance charges on preference shares - Cash payment u/s40A(3) - Double addition of transition amount in MAT computation - Tax calculated @ 30% instead of 25% under normal provisions of the Act. 2. Refund wrongly calculated	Office of the Assistant Commissioner of Income Tax, Circle 23(1), Delhi	Shillong Expressway Private Limited	CIT (Appeal)	Refund as per ITR filed was Rs. 122,90,600 against which Company received refund of Rs.20,58,450/- on July 5, 2020 Demand for Financial Year 2016-17 of Rs. 158,779/- adjusted against refund for Financial Year 2017-18.	FY 2017-18 Assessment order no. ITBA/AST/S/143(3)/2020-21/1030684297(1) dated February 16, 2021 CIT Appeal acknowledged gement no.292147381160321 dated March 16, 2021	Refund as per ITR filed was Rs. 122,90,600 against which Company received refund of Rs.20,58,450/- on July 5, 2020 Demand for Financial Year 2016-17 of Rs. 158,779/- adjusted against refund for Financial Year 2017-18. Scrutiny assessment proceeding have been completed by the AO after disallowance as per the 143(1)(a) adjustment proposed by CPC - for finance charges on preference shares - cash payment u/s40A(3) - double addition of transition amount in MAT computation - tax calculated @ 30% instead of 25% under normal provisions of the Act. The Company has filed as appeal with CIT (Appeal) for all	An appeal has been filed with CIT(A) and hearing is awaited	-

							above disallowances on March 16, 2021 vide acknowledgement number 292147381160321		
7	Deduction claimed under section 80IA of the Act and allowed by the learned AO in the assessment order dated September 13, 2022, has not been considered in the computation sheet attached with the assessment order for computing of taxable income.	Assessment Unit Income Tax Department	Shillong Expressway Private Limited	CIT (Appeal)	In the computation sheet attached with the assessment order, the learned AO has not allowed deduction of Rs. 15,60,61,283 under section 80IA of the Act. & The learned AO erred in levying interest amounting to Rs. 11,02,560 under section 234A of the Act.	FY 2019-20 Assessment order ITBA/AST/S/143(3)/2022-23/1045421727(1) Ack No. 633566500111022 dated 11 October 2022	In the computation sheet attached with the assessment order, the learned AO has not allowed deduction of Rs. 15,60,61,283 under section 80IA of the Act. & The learned AO erred in levying interest amounting to Rs. 11,02,560 under section 234A of the Act. Rectification application has also been made on November 09, 2022.	An appeal has been filed with CIT(A) and hearing is awaited	36.32
8	Disallowance under section 14(A), MTM gain on MF and interest expenses u/s 36(1)(iii)	Office of the Assistant Commissioner of Income Tax, Circle 7(1)(1), Bangalore	Ulundurpet Expressways Private Limited	CIT (Appeal)	The following items have been disallowed: (a) Rs. 17,869,492 under Section 14A of the IT Act (b) Mark to market gain on mutual fund of Rs. 709,554 (c) Interest expense of Rs. 172,20,000 under Section 36(1)(iii) of the IT Act The Company has filed an appeal with CIT (Appeal) on January 15,	FY 2016-17 Assessment order no. ITBA/AST/S/143(3)/2019-20/1022616118(1) dated December 18, 2019 CIT Appeal acknowledgement no.291845331150120 dated January 15, 2020	The following items have been disallowed: (a) Rs. 17,869,492 under Section 14A of the IT Act (b) Mark to market gain on mutual fund of Rs. 709,554 (c) Interest expense of Rs. 172,20,000 under Section 36(1)(iii) of the IT Act The Company has filed an appeal with CIT (Appeal) on January 15, 2020 (Form 35 e-Filing	An appeal has been filed with CIT(A) and hearing is awaited	-

					2020 (Form 35 e-Filing Acknowledgement Number 291845331150120) and hearing in the matter is awaited		Acknowledgement Number 291845331150120) and hearing in the matter is awaited The Assessing Officer had initiated penalty proceedings on the above disallowances. The Company has submitted a letter to the Assessing Officer with a request to keep the same in abeyance considering the ongoing appeal with CIT (Appeal)		
9	Disallowance of major maintenance expenses and disallowance u/s 14A	Office of the Assistant Commissioner of Income Tax, Circle 5(1)(2), Mumbai	Dewas Bhopal Corridor Pvt Ltd	CIT (Appeal)	<p>1. Major Maintenance Expenses of INR 359.4 mn claimed as deduction was treated as capital expenditure and disallowed; it was all owed to be amortized over a period of 25 years, i.e. INR 14.38 mn was allowed for FY17. Hence, net disallowance of INR 345 mn.</p> <p>2. Disallowance under section 14A of the ITA (Expenses incurred to earned exempt income) of INR 0.82 mn.</p> <p>3. Refund of Rs. 14,16,338 is received</p>	<p>FY 2016-17 Assessment Order No : ITBA/AST/S/143(3)/2019-20/1022920 927(1) dated December 23, 2019</p> <p>CIT (Appeal) acknowledgement number - 293815831 210120 dated January 21, 2020</p>	<p>1. Major Maintenance Expenses of INR 359.4 mn claimed as deduction was treated as capital expenditure and disallowed; it was all owed to be amortized over a period of 25 years, i.e. INR 14.38 mn was allowed for FY17. Hence, net disallowance of INR 345 mn.</p> <p>2. Disallowance under section 14A of the ITA (Expenses incurred to earned exempt income) of INR 0.82 mn.</p> <p>3. Demand of Rs. 10,30,84,559 as per Demand Order dated December 23, 2019.</p>	An appeal has been filed with CIT(A) and Other supporting documents submitted to CIT(A). A hearing is awaited	103.08

10	Disallowance of major maintenance expenses	Office of the Deputy Commissioner of Income Tax, Circle 5(1), Hyderabad	Udupi Tollway Private Limited	CIT (Appeal)	<p>1. The assessing officer has disallowed the following items -</p> <p>a. Major Maintenance Expenses of INR. 51.15 mn was disallowed</p> <p>b. Excess amortisation claimed of INR 1.28 mn</p> <p>2. The company has accepted the disallowance of excess amortisation claim</p> <p>3. The company has filed an appeal against the disallowance of MM provision</p> <p>4. The AO has initiated penalty proceedings. However, the company has filed a submission against same since the matter is under appeal</p>	<p>FY 2017-18 Assessment order no. ITBA/AST/S/143(3)/2021-22/1032555 674(1) dt. April 20, 2021</p> <p>CIT (Appeal) acknowledgedgement number - 365617201 310521 dt. May 31, 2021</p>	<p>1. The assessing officer has disallowed the following items -</p> <p>a. Major Maintenance Expenses of INR. 51.15 mn was disallowed</p> <p>b. Excess amortisation claimed of INR 1.28 mn</p> <p>2. The company has accepted the disallowance of excess amortisation claim</p> <p>3. The company has filed an appeal against the disallowance of MM provision</p> <p>4. The AO has initiated penalty proceedings. However, the company has filed a submission against same since the matter is under appeal</p>	An appeal has been filed with CIT(A) and hearing is awaited.	-
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2. Indirect Tax:
NIL

3. Civil Litigation against the SPVs

(a) Civil Litigation by Dewas Bhopal Corridor Pvt Ltd. (DBCPL)

Sr. No.	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number/Application Number/Appeal No.	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
1.	MP Labor Commission	MP High Court	Rs 46.8 million.	WP 10812 of 2011	DBCPL has filed writ petition (no. 10812 of 2011) in MP High Court against imposition of labor cess amounting Rs. 46.8 million. under Building and other construction workers Welfare Cess Act,	MP High Court on September 9, 2015 (corrected vide order dated September 30, 2015) ordered that, pending disposal of writ petition, no coercive steps for recovery of cess shall be taken against DBCPL. At present, case is pending for final hearing.

					1996.	
2.	State of MP	Supreme Court	Rs. 89 million	Special leave petition (civil) (no. 14693 of 2010 - converted into Civil Appeal No. 8987 of 2013)	DBCPL has filed special leave petition (civil) (no. 14693 of 2010 - converted into Civil Appeal No. 8987 of 2013) in Supreme Court against final order passed by MP High Court on February 11, 2010 in regards to applicability of 2% stamp duty (on TPC) on execution of Concession Agreement.	Supreme Court on September 13, 2013 ordered that, interim stay granted earlier is extended until further orders. At present, case is pending for final hearing.

Labour litigation involving DBCPL

Sr No .	Nature of Matter	Name of the petitioner/appellant/complainant	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number/App eal Number/ Application Number	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
1	Labour Matter (Industrial Dispute)	Mr. Mukesh Chandravanshi of DBCPL (Old)	DBCPL	Bhopal Labour Court	Not quantifiable	7/2016/I.D.R	Mr. Mukesh Chandravanshi provoked employees to stop toll plaza and allowed vehicles without paying user fees on December 30, 2021. Further he has misbehaved with seniors. He also stopped Amlaha toll Plaza Operation for some hours.	Waiting for the next date of hearing.

Civil Litigation by Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited)

Sr. No.	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number/Application Number/Appeal No.	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
1.	State of AP	Telangana High Court	Rs. 135.9 million.	WP 15464/2011	NBPL has filed writ petition (WP 15464/2011) in AP High Court against District Registrar, Adilabad's notice in regards to applicability of 5% stamp duty (on TPC) on execution of Concession Agreement.	AP High Court on June 9, 2011 has granted stay order in favor of NBPL and restrained the Registrar from taking any action against NBPL pending the decision. At present, case is pending before High Court.

Civil Litigation by Shillong Expressway Private Limited

Sr. No.	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number/Application Number/Appeal No.	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
1.	NHAI	Delhi High Court	Rs. 143.5 million.	O.M.P. (ENF.) (COMM.) 251 of 2018 & IA 14995 of 2018 and FAO(OS) (COMM) 14 of 2019	Claim for bonus annuity on account of delay from Authority and positive COS during construction	<p>On June 27, 2018, the arbitral tribunal ("AT") has awarded claim of Rs. 274.2 million (Rs. 162.1 million claim + Rs. 112.1 million. towards interest up to date of Award) in favor of SEPL.</p> <p>Further, AT has also preponed the Annuity dates to February and August 28 of every year against March 25 and September 25 earlier.</p> <p>SEPL on October 26, 2018 had filed an execution petition in Delhi High Court under section 36 of A&C Act.</p> <p>NHAI has filed application in Delhi High Court under section 34 of A&C Act for setting aside Award dismissed by the Court on November 2, 2018.</p> <p>Further, NHAI has further challenged aforesaid court order under Section 37 of Arbitration Act (Act).</p> <p>NHAI as per Court order dated January 22, 2019 has paid award amount to SEPL except towards additional bonus annuity of Rs. 10.63 Cr. and interest of Rs. 3.72 Cr. which has been deposited with the court as per Court order.</p> <p>On October 3, 2023, SEPL has submitted its application for settlement under Vivad se Vishwas II Scheme announced by the Ministry of Finance by OM no. F.1/7/2022-PPD dated May 29, 2023 and NHAI Policy guidelines dated July 4, 2023</p>

- (u) **Details of acts of material frauds committed against the Issuer in the preceding 3 (Three) financial years and current financial year, if any, and if so, the action taken by the Issuer:** Nil
- (v) **Available security cover for the issue**

As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.

- (w) **Details of pending proceedings initiated against the Issuer for economic offences, if any:** Nil
- (x) **Related party transactions entered during the preceding 3 (Three) financial years and current financial year with regard to loans made or, guarantees given or securities provided:**

Please refer to **Annexure III** of this General Information Document

- (y) **Debt service coverage ratio of the Issuer (as on March 31, 2023)**

4.41

- (z) **Interest service coverage ratio of the Issuer (as on March 31, 2023)**

5.26

- (aa) **Net worth of the Issuer (as on March 31, 2023)**

₹ 4,381.66 million

- (v) **Details of credit rating rationale (s) along with the latest press release of the Credit Rating Agency in relation to the Issue. Such press release shall not be older than one year from the date of opening of the Issue.:**

Please refer to the relevant Key Information Document.

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

As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.

- (x) **Disclosure of Cash flow with date of interest/ dividend / redemption payment as per day count convention:**

As per the Key Information Document to be issued with respect to relevant Tranche/ Series of Debentures.

- (y) **Purchase and sale of Securities**

The Issuer will have the power exercisable at its absolute discretion from time to time to purchase some or all the Debt Securities at any time prior to the specified date(s) of redemption, at discount, at par or at premium from the open market in accordance with the applicable laws. Such Debt Securities at the option of the Issuer, may be cancelled, held or resold at such price and on such terms and conditions as the Trust may deem fit and as permitted by law.

- (z) **Names of all the recognized stock exchanges where the debt securities or commercial papers are proposed to be listed clearly indicating the designated stock exchange:**

The Debentures or Commercial Papers are proposed to be listed on the Wholesale Debt Market Segment of NSE and/or BSE. All applicable listings timelines, as prescribed by SEBI, shall be adhered to.

- (aa) **Other Details:**

- (i) **Creation of Debenture Redemption Reserve (DRR):**

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

registered under the InvIT Regulations in furtherance of the provisions of the SEBI Circular SEBI/HO/DDHS-PoD/P/CIR/2023/115 dated July 6, 2023, titled “Master Circular for Infrastructure Investment Trusts (InvITs)”. Accordingly, no debenture redemption reserve is required to be maintained by the Issuer.

(ii) Issue/instrument specific—regulations - relevant details:

The Issue of Debentures or Commercial Papers in terms of this General Information Document and the respective Key Information Documents shall be in conformity with the applicable provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended read with the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated September 2, 2015, as amended, and other applicable guidelines, circular(s) and notifications(s).

(iii) Default in Payment:

Please refer to the relevant Key Information Document.

(iv) Delay in listing:

Please refer to the relevant Key Information Document.

(v) Delay in Allotment of securities:

Please refer to the relevant Key Information Document.

(vi) Issue Details:

As mentioned in the respective Key Information Document.

(vii) Application Process:

As mentioned in the respective Key Information Document.

(viii) Issue Procedure

As mentioned in the respective Key Information Document.

(ix) A statement containing particulars of the dates of and parties to all material contracts and agreements involving financial obligations of the Issuer:

Please refer to the relevant Key Information Document.

(x) Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:

NA.

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

Please refer to the relevant Key Information Document.

B. Additional Disclosures / Reports:

- (a) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default:

Please refer to **Annexure I** of this General Information Document.

- (b) The aggregate number of securities of the Issuer purchased or sold by the Sponsor or the Investment Manager, within 6 (six) months immediately preceding the date of filing the General Information Document:

NIL

- (c) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.

Please refer to **Annexure III** of this General Information Document

The following details with respect to 3 (Three) years immediately preceding the year of issue of the General Information Document, in the case of the Issuer being a company and all of its subsidiaries have to be disclosed:

- (i) Any inquiry, inspections or investigations initiated or conducted under the securities laws or any other applicable legislations: NIL
- (ii) Prosecutions filed, if any (whether pending or not): NIL
- (iii) Fines imposed or offences compounded: NIL

(d) Rights of Debenture Holders

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

The Debt Securities/Commercial Papers are subject to the provisions of the Trust Deed and the terms of this General Information Document and the relevant Key Information Document. Over and above such terms and conditions, the Debt Securities/Commercial Papers shall also be subject to other terms and conditions as may be incorporated in the Debenture Trust Deed / Debenture Trustee Agreement/ letters of allotment/ debenture certificates, guidelines, notifications and regulations issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debt Securities/Commercial Papers.

C. DISCLOSURE PERTAINING TO WILFUL DEFAULT (IF ANY):

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

- (a) Name of the bank declaring the entity as a wilful defaulter: NA
- (b) The year in which the entity is declared as a wilful defaulter: NA
- (c) Outstanding amount when the entity is declared as a wilful defaulter: NA
- (d) Name of the entity declared as a wilful defaulter: NA
- (e) Steps taken, if any, for the removal of the director of the Investment Manager from the list of wilful defaulters: NA
- (f) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NA
- (g) Any other disclosure as specified by the Board of the Investment Manager: NA

D. UNDERTAKINGS

- a) The Issuer hereby agrees and confirms that the prior intimation to create pari-passu charge on the assets of the Issuer has been given to the existing creditors/lenders/existing debenture trustee as required as per the Debenture Trustee Deed;

- b) The Issuer hereby undertakes that the assets on which the charge or security has been created to meet the hundred percent security cover or higher security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.
- c) The Issuer hereby undertakes that necessary documents for the creation of charge, where applicable, including Debenture Trust Deed would be executed within time-frame prescribed in the applicable laws and the same would be uploaded on website of the designated stock exchange, where the debt securities will be listed.

E. OTHER DISCLOSURES

- a) Debt Securities shall be considered as secured only if the charged asset is registered with sub-registrar and registrar of companies or Central Registry of Securitisation Asset Reconstruction and Security Interest or depository etc., as applicable or is independently verifiable by the Debenture Trustee;
- b) Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee:

Details mentioned in Key Information Document.

- c) Consent of Directors: The necessary consents/ approval of Directors in relation to the Issue have been duly obtained.
- d) Consent of Statutory Auditor: The consent of the Statutory Auditor has been obtained vide letter dated January 05, 2024.
- e) Consent of Debenture Trustee: Please refer to the relevant Key Information Document
- f) Consent of the Registrar to the Issue: Please refer to the relevant Key Information Document
- g) Consent of the bankers to the issue, lead managers to the issue, solicitors or advocates to the issue, legal advisors to the issue, lenders and experts: Not Applicable

SECTION VI

ISSUE DETAILS

The Issuer proposes to issue each series of the Debt Securities/Commercial Papers on the terms set out in this General Information Document and the relevant Key Information Document subject to the provisions of the SEBI ILNCS Regulations, the SEBI InvIT Regulations, the SEBI LODR Regulations, the Trust Deed of the Issuer and other terms and conditions as may be incorporated in the relevant Debenture Trust Deed. This section applies separately to the issue of each series of the Debt Securities, and to all applicants of such series.

To the extent of any inconsistency between the Issue Details and procedure in this General Information Document and the Key Information Document, the issue procedure in the Key Information Document will prevail.

A. Issue of Debentures or Commercial Papers in demat form

The Debentures/Commercial Papers (including any Tranche thereof) shall be issued and allotted in dematerialised form and the Trust has entered into depository arrangements with Depository for issue of Debentures in dematerialised form.

The Debentures/Commercial Papers (or any part thereof) when issued in dematerialised form, shall be subject to the provisions of the Depositories Act, 1996 and the rules notified by the Depository, and the Trust and the Debenture Holder(s) /Commercial Paper Holder(s) are required to observe and follow the same. Further, the guidelines issued by the Depository shall be followed by the Trust, the Debenture Holder(s) /Commercial Paper Holder(s) and the Debenture InvIT Trustee, as applicable.

B. Transfer of Debentures or Commercial Papers

The Debentures/Commercial Papers shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the unit capital of the Trust. The provisions relating to transfer and transmission in respect of the Unit capital as provided in the Trust Deed of the Trust shall apply mutatis mutandis to the Debentures/Commercial Papers.

C. Interest on Application Money

Interest on Application Money at the rate specified in the respective Key Information Documents (subject to deduction of income tax under the provisions of the Income Tax Act, 1961 (Please refer to paragraph "Deduction of Tax at Source" as mentioned hereinbelow), or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the relevant series of the Debt Securities.

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

Where the entire application money has been refunded, the interest on application money will be paid for the series along with the refund orders.

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

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

D. Interest Rate/Coupon Rate / Redemption Premium

The Trust shall be liable to pay the Debenture Holders interest/ coupon (“**Interest**” / “**Coupon**”) or redemption premium (“**Redemption Premium**”) or any other payment as mentioned in the Key Information Document, on the Series/Tranche Debentures, at the rate (if any) specified in the relevant Key Information Document, and such Coupon Rate / Interest Rate or Redemption Premium shall be payable in such manner as specified in the Key Information Document in respect of the relevant Series / Tranche of the Debentures, and shall be payable on such dates as may be specified in the Key Information Document, in respect of the relevant Tranche.

E. Computation of Interest / coupon

All Interest accruing on the face value of the Debenture shall accrue and be calculated on such day count basis as specified in the Key Information Document in respect of the relevant Tranche.

F. Payment of Interest / coupon

Any payments to be made to the Debenture Holders, including payment of Interest / Coupon shall be made by the Trust using the services of electronic clearing services (“**ECS**”), RTGS, direct credit or NEFT into such bank account of a Debenture Holder as may be notified to the Trust by such Debenture Holder or the Debenture Trustee (acting on behalf of the Debenture Holder).

Payment of Interest/ Coupon as payable on the Debenture(s) shall be made as per the terms of the relevant Key Information Document.

G. Record Date

The Record Date shall have meaning as defined in the relevant Key Information Document.

H. Deduction of Tax at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on Debt Securities.

Interest payable subsequent to the Deemed Date of Allotment of Debt Securities shall be treated as “Interest on Securities” as per Income Tax Rules. Debt Security Holders desirous of claiming exemption from deduction of income tax at source on the interest payable on Debt Securities should submit tax exemption certificate/ document, under Section 193 of the Income-tax Act, 1961, if any, with the Registrars, or to such other person(s) at such other address (es) as the Issuer may specify from time to time through suitable communication, at least 45 days before the payment becoming due. Regarding deduction of tax at source and the requisite declaration forms to be submitted, applicants are advised to consult their own tax consultant(s).

I. Tax Benefits

Debenture Holders/Commercial Paper Holders are advised to consider the tax implications of their respective investment in the Debentures/Commercial Papers.

J. Security

Please refer to the relevant Key Information Document.

K. Procedure for Redemption

Please refer to relevant Key Information Document

L. Effect of Holidays

- (a) If the Due Date for payment of Coupon / Interest falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be on the immediately succeeding Business Day.
- (b) If the principal payment date or the Redemption Date or the last payment date for payment of Coupon / Interest falls on a day that is not a Business Day, then the due date for principal payment or the Redemption

Date or the last payment date for payment of Coupon / Interest shall be paid on the immediately preceding Business Day.

For further details, please refer to relevant Key Information Document

M. Register of Debenture Holders

The Trust shall intimate NSDL/CDSL in this regard and also instruct the NSDL/CDSL to credit the beneficiary account of the allottee(s) with NSDL/CDSL Depository Participant as mentioned in the Application Form, with the number of Debentures/Commercial Papers allotted, such communication by the Trust in favour of NSDL/CDSL shall be in such form and manner, as prescribed by NSDL/CDSL.

The Trust shall request the NSDL and CDSL to provide a list of Debenture Holders on the Record Date. This shall be the list which shall be considered for payment of interest, repayment of principal and amortisation. The 'Record Date' for the Debentures/Commercial Papers shall be the date as more particularly set out in the General Information Document and/or Key Information Document.

N. Failure to execute the Debenture Trust Deed

The Trust shall execute the Debenture Trust Deed prior to the listing of the Debentures on the Stock Exchange issued under the relevant Key Information Document. In case of a delay in execution of Debenture Trust Deed, the Trust will pay penal interest of at least 2% (Two Percent) p.a. over the Coupon Rate till the execution of Debenture Trust Deed.

O. Amendment of the Terms of the Debentures

The Debenture Trustee shall concur with the Trust in making any modifications with respect to Debentures issued under each Series/Tranche which in the opinion of the Debenture Trustee shall be expedient to make, by executing necessary deed(s) supplemental to the respective Transaction Documents, with the prior written consent of the Majority Holders of the respective Tranche / Series or such other percentage as is required under the terms of the relevant Key Information Document or such higher percentage as may be required under Applicable Law.

P. Further Indebtedness and Encumbrances

Please refer to the relevant Key Information Document.

Q. Summary term sheet containing brief information pertaining to the Non Convertible debt securities or Commercial Papers (or a series thereof) as follows (where relevant):

Term	Description
Issuer	Highways Infrastructure Trust
Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	Please refer to the Relevant Key Information Document
Type of Instrument	Please refer to the Relevant Key Information Document
Nature of Instrument	Please refer to the Relevant Key Information Document
Seniority	Please refer to the Relevant Key Information Document

Eligible Investors/ Participants/ Eligible Debenture Holders	<p>The entities classified as “qualified institutional buyer” under the SEBI ILNCS Regulations:</p> <p>scheduled commercial banks, non-banking financial companies registered with RBI, companies incorporated in India; mutual funds, rural regional banks in India; FPIs, OCBs, FVCI, financial institutions, including ‘All India Financial Institutions’, insurance companies, provident funds, national pension scheme trusts and other eligible entities authorized to invest in the Debt Securities each specifically mapped by the Issuer on the EBP Bond Platform of the Stock Exchange; and</p> <p>any other investor through the secondary market, subject to compliance with the applicable regulatory and statutory approvals. Provided that the subscription to or investment in the Debt Securities by the aforesaid investors, whether on a primary or secondary basis, shall be subject to applicable law.</p>
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	<p>Wholesale debt market of National Stock Exchange of India Limited (“NSE”) and/or BSE Limited (“BSE”) as set out in relevant Key Information Document</p> <p>In case of delay in listing beyond 3 working days from the Issue Closing Date, the InvIT will pay penal interest of 1% p.a. or such other rate as prescribed by Applicable Laws over the Coupon Rate to the Debenture Holders for the period of delay in the listing of Debentures (i.e. from the Deemed Date of Allotment to the date of listing).</p>
Rating of the Instrument	Please refer to the Relevant Key Information Document
Issue Size	Please refer to the Relevant Key Information Document
Minimum Subscription	Please refer to the Relevant Key Information Document
Option to retain oversubscription/ Green Shoe Option (Amount)	Please refer to the Relevant Key Information Document
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the Relevant Key Information Document
In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is ‘group company’ then disclosures shall be made in the following format	NA
Details of the utilisation of the Proceeds	Please refer to the Relevant Key Information Document
Coupon/ Dividend Rate	Please refer to the Relevant Key Information Document

Step Up/ Step Down Coupon Rate	Please refer to the Relevant Key Information Document
Coupon /Dividend Payment Frequency	Please refer to the Relevant Key Information Document
Coupon/Dividend Payment Date(s)	Please refer to the Relevant Key Information Document
Cumulative/ non-cumulative, in case of dividends	Please refer to the Relevant Key Information Document
Coupon Type	Please refer to the Relevant Key Information Document
Coupon Reset Process	Please refer to the Relevant Key Information Document
Day Count Basis	Actual/Actual
Interest on Application Money	Please refer to the Relevant Key Information Document
Default Interest Rate	Please refer to the Relevant Key Information Document
Tenor	Please refer to the Relevant Key Information Document
Redemption Date	Please refer to the Relevant Key Information Document
Redemption Price	Please refer to the Relevant Key Information Document
Redemption Amount	Please refer to the Relevant Key Information Document
Redemption Premium / Discount	Please refer to the Relevant Key Information Document
Issue Price	Please refer to the Relevant Key Information Document
Discount at which security is issued and the effective yield as a result of such discount	Please refer to the Relevant Key Information Document
Premium at which security is redeemed and the effective yield as a result of such premium	Please refer to the Relevant Key Information Document
Put Date	Please refer to the Relevant Key Information Document
Put Price	Please refer to the Relevant Key Information Document
Call Date	Please refer to the Relevant Key Information Document
Call Price	Please refer to the Relevant Key Information Document
Put Notification Time	Please refer to the Relevant Key Information Document
Call Notification Time	Please refer to the Relevant Key Information Document
Face Value	Please refer to the Relevant Key Information Document
Minimum Application and in multiples thereafter	Please refer to the Relevant Key Information Document
Issue timing	Please refer to the Relevant Key Information Document
Issue Opening Date	Please refer to the Relevant Key Information Document
Issue Closing Date	Please refer to the Relevant Key Information Document
Date of earliest closing of the issue, if any	Please refer to the Relevant Key Information Document

Pay-in Date	Please refer to the Relevant Key Information Document
Deemed Date of Allotment	Please refer to the Relevant Key Information Document
Settlement Mode of the Debentures	Please refer to the Relevant Key Information Document
Depository	NSDL and CDSL
Disclosure of Interest /Dividend/ redemption dates	Please refer to the Relevant Key Information Document
Record Date	Please refer to the Relevant Key Information Document
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Please refer to the Relevant Key Information Document
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation	Please refer to the Relevant Key Information Document
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debt Security Trust Deed and disclosed in the Issue Document	Please refer to the Relevant Key Information Document
Transaction Documents	Please refer to the Relevant Key Information Document
Conditions Precedent to disbursement	Please refer to the Relevant Key Information Document
Conditions Subsequent to Disbursement	Please refer to the Relevant Key Information Document
Event of default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to the Relevant Key Information Document
Creation of recovery expense fund	Please refer to the Relevant Key Information Document
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to the Relevant Key Information Document
Provisions related to Cross Default Clause	Please refer to the Relevant Key Information Document
Role and Responsibilities of Debenture Trustee	Please refer to the Relevant Key Information Document
Risk factors pertaining to the issue	Please refer to Section III of this General Information Document titled “ <i>Risk Factors</i> ”
Governing Law and Jurisdiction	Please refer to the Relevant Key Information Document

R. KEY TERMS IN RELATION TO DEBENTURES/ COMMERCIAL PAPERS

Please refer to the applicable Key Information Document for the key terms in relation to each series of Debentures/ Commercial Papers issued.

S. KEY TERMS IN RELATION TO THE DEBENTURE TRUSTEE

Please refer to the applicable Key Information Document for the key terms in relation to each series of Debentures issued.

SECTION VII

APPLICATION PROCESS

A. WHO CAN APPLY FOR THE DEBENTURES/COMMERCIAL PAPERS

Only the Eligible Investors as defined in the relevant Key Information Document as per extant regulation and laws, are eligible to apply for the Debentures/Commercial Papers. No other person may apply.

The Issuer will follow applicable SEBI guidelines and other applicable guidelines issued for its issuance.

The Application Forms be must accompanied by certified true copies of the following documents (as may be applicable) (1) Constitution documents and bye laws (2) resolution authorizing investment and containing operating instructions (3) specimen signatures of authorized signatories power of attorney along with their identity proof (4) PAN copy of the Applicant (5) necessary forms for claiming exemption from deduction of tax at source on the interest income / interest on application money and (6) any other document as may be required by the Trust to comply with the terms of the Issue and the applicable internal and external regulations including FATCA and KYC requirements.

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

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

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

B. APPLICATIONS, UNDER POWER OF ATTORNEY/RELEVANT AUTHORITY

In case of an application made under a Power of Attorney or resolution or authority, a certified true copy thereof along with Trust Deed and/or bye-laws must be attached to the Application Form at the time of making the application, failing which, the Trust reserves full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names, identity proofs and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed application.

C. HOW TO APPLY

Highways Infrastructure Trust will follow all process as applicable under SEBI guidelines.

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) with BSE's Bond Platform offered by BSE Limited/ NSE's Bond Platform offered by National Stock Exchange of India Limited, as applicable, for participating in electronic book building mechanism. Eligible Investors should refer the Operational Guidelines as available on web site of BSE Limited/National Stock Exchange of India Limited, as applicable and the SEBI Master Circular. Eligible Investors will also have to complete the mandatory KYC verification process.

All applications for the Debenture(s) must be in the prescribed Application Form and is to be completed in block letters in English. Forms must be accompanied by either a Transfer cheque / RTGS Instruction/any other electronic transfer mode or any other mode specifically permitted by the Trust. No cash or stock invest will be accepted.

Over and above the aforesaid Terms and Conditions, the said Debenture(s)/ Commercial papers shall be subject to

the Terms and Conditions incorporated in the Key Information Document for an individual tranche.

D. FICTITIOUS APPLICATIONS

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

E. RIGHT TO ACCEPT OR REJECT APPLICATIONS

The Trust reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected Applicants will be intimated along with therefund warrant, if applicable, to be sent. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

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

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

F. RIGHT TO RE-PURCHASE OR RE-ISSUE THE DEBT SECURITIES

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

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

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

G. PAN/GIR NUMBER

All Applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

H. SIGNATURES

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

I. NOTICES

All notices to the Debenture Holder(s) /Commercial Paper Holder(s) required to be given by the Trust or the InvIT Trustee shall have and shall be deemed to have been given if published in 1 (One) English and 1 (One) Hindi language daily National newspaper in Mumbai and may, at the sole discretion of the Trust or the InvIT Trustee, but without any obligation, be sent by ordinary post to the original sole/first allottees of the Debenture(s)/Commercial Papers or if notification and mandate has been received by the Trust, pursuant to the provisions contained herein

above, to the sole/first transferees.

All notices to be given by the Debenture Holder(s) /Commercial Paper Holder(s), including notices referred to under “Payment of Interest” and “Payment on Redemption” shall be sent by Registered Post/Courier / e-mail or by hand delivery to the Registrars to the Issue or to such persons at such address as may be notified by the Trust by hand delivery to the Registrars to the Issue or to such persons at such address as may be notified by the Trust.

In addition to the provisions contained in this document, the extant regulations of SEBI and any other regulations as may be applicable shall be applicable to the proposed Issue.

In case of any discrepancy between contents of this document and extant applicable regulations, the extant applicable regulations shall prevail over this document.

SECTION VIII

UNDERTAKING BY THE ISSUER / DECLARATION

UNDERTAKING BY THE ISSUER:

"Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' set out in **Section III** of this document."

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

"The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the General Information Document and/or in the Key Information Documents. Any covenants later added and not covered in General Information Document or Key Information Documents shall be disclosed on the stock exchange website where the Debentures are listed."

DECLARATION:

It is hereby declared that this General Information Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.

We also declare that PAN Bank account details of Sponsor, controlling unitholder of the Trust and the details of PAN of Board of Directors is being submitted to the Stock Exchange with this General Information Document.

The Issuer also confirms that this General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The General Information Document also does not contain any false or misleading statement. The Issuer accepts no responsibility for the statements made otherwise than in this General Information Document or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

The Issuer declares that all the relevant provisions of the of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021, as amended, the Securities Contracts (Regulation) Act, 1956, and rules made thereunder, the Securities Contracts (Regulations) Rules, 1957, as amended, the Securities and Exchange Board of India Act, 1992 and all rules, regulations, circulars including the SEBI Master Circular and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this General Information Document is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder.

DECLARATION BY THE DIRECTORS OF INVESTMENT MANAGER, ACTING ON BEHALF OF HIGHWAYS INFRASTRUCTURE TRUST THAT:



- a. the Trust has complied with the provisions of the InvIT Regulations, SEBI ILNCS Regulations and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) and the rules made thereunder, including the compliances in relation to making a private placement of the Debentures/Commercial Papers, the Securities Contracts (Regulation) Act, 1956 and Securities Exchange Board of India Act, 1992 and the rules made thereunder;
- b. the compliance with the SEBI Guidelines and other applicable laws does not imply that payment of dividend or interest or repayment of the Debentures/Commercial Papers, if applicable, is guaranteed by the Central Government;

- c. the monies received under the offer shall be used only for the purposes and objects indicated in Key Information Document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Investment Manager;
- e. the securities proposed to be issued does not form a part of non-equity regulatory capital of the Issuer as mentioned under Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Master Circular No SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, and any amendment thereto.

We are authorized by the Board of Directors vide resolution dated January 05, 2024 to sign this form and declare that all the requirements of InvIT Regulations SEBI ILNCS Regulations and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Sponsors or the Investment Manager.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Investment Manager acting on behalf of the Highways Infrastructure Trust.


Abhishek Chhajjer

Designation: Chief Financial Officer
Place: Mumbai
Date: January 08, 2024


Kunjal Shah

Designation: Compliance Officer
Place: Mumbai
Date: January 08, 2024

Annexure I

Credit Policy of the Issuer

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Highway Concessions One Private Limited

Borrowing Policy

(Approved by the Board of Directors vide its resolution dated on November, 15, 2022)

(HC1_Version 01_2022)

This document supersedes all the previous versions of Policy/ communication on this subject.

The policy shall be effective from the date of approval of the Securities and Exchange Board of India for appointment of Highway Concessions One Pvt. Ltd. as Investment Manager of Highways Infrastructure Trust which is registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("SEBI InvIT Regulations") on December 23, 2021 having registration number IN/InvIT/21-22/0019).

The contents of this Policy are the property of Highway Concessions One Private Limited ("**Company**") and both, its use and dissemination, are for internal purposes only. This document may not be reproduced, stored or distributed, in any format or by any means, whether electronic or physical, without the prior formal authorization of the Company.

1. Preamble

- 1.1. This Borrowing Policy aims to outline the borrowing strategy and process in relation to Highways Infrastructure Trust (“**Highways Trust**”) to be adopted by the board of directors of the Investment Manager (the “**Board**”) and shall be effective on and from the Highways Trust Closing Date, provided that, the Investment Manager shall, at all times, comply with the requirements under the SEBI InvIT Regulations and other Applicable Law.
- 1.2. This Policy will be adopted by the board of directors of the Investment Manager (the “**Board**”) of Highways Trust and shall be effective on and from the Highways Trust Closing Date, provided that, Highways Trust and Parties to the Highways Trust shall, at all times, comply with the requirements under SEBI InvIT Regulations and the Applicable Law.

2. Definitions

- 2.1. “**Applicable Law**” shall mean the Indian Trusts Act, 1882, the Companies Act, 2013 and the rules issued thereunder, the SEBI InvIT Regulations, and circulars, issued by the SEBI from time to time.
- 2.2. “**Highways Trust Assets**” shall mean assets owned by the Highways Trust, whether directly or Project SPVs, and includes all rights, interests and benefits arising from and incidental to ownership of such assets.
- 2.3. “**Highways Trust Closing Date**” shall mean the date on which units are allotted to the successful applicants pursuant to the Initial Offer.
- 2.4. “**Highways Trust Documents**” shall mean the Trust Deed, the Investment Management Agreement, the Securities Acquisition/Purchase Agreements, Project Management Agreements, any agreement between the Trustee and/or the Investment Manager and/or the Project Manager with respect to the Highways Trust or to which the Investment Manager or the Trustee is a party in their capacity as the manager or trustee of the Highways Trust or Units or any other obligations, securities or instruments as permitted under Applicable Law, executed for the purpose of the Highways Trust, any Placement Memorandum or Offer Document, and such other documents in connection therewith, as originally executed and amended, modified, supplemented or restated from time to time.
- 2.5. “**Initial Offer**” shall mean the proposed initial offer of Units by the Highways Trust.
- 2.6. “**Investment Manager**” shall mean Highway Concessions One Private Limited, in its capacity as the investment manager to the Highways Trust.
- 2.7. “**Policy**” shall mean this Borrowing Policy, as amended from time to time.
- 2.8. “**Project Manager**” shall mean HC One Project Manager Private Limited.
- 2.9. “**SPVs**” shall have the meaning ascribed to such term in the SEBI InvIT Regulations or otherwise as permitted by SEBI.
- 2.10. “**SEBI**” shall mean the Securities and Exchange Board of India.
- 2.11. “**SEBI InvIT Regulations**” shall mean the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and supplemented from time to time by the SEBI, including all guidelines, circulars, notifications and directions issued by SEBI under the SEBI InvIT Regulations from time to time.

- 2.12. **“Sponsor”** shall mean Galaxy Investments II Pte. Ltd.
- 2.13. **“Trustee”** shall mean Axis Trustee Services Limited.
- 2.14. **“Trust Deed”** shall mean the trust deed dated December 3, 2021 entered into between Highways Trust, Investment Manager or the Settlor and the Sponsor, and the Trustee.
- 2.15. **“Unit”** shall mean an undivided beneficial interest in the Highways Trust, and all issued and allotted Units together represent the entire beneficial interest in the Highways Trust.
- 2.16. **“Unitholders”** shall mean any person who holds any Unit in the Highways Trust.

3. Interpretation

- 3.1. Capitalised terms used, but not defined herein, shall have the meaning ascribed to such term under the Trust Deed and other Highways Trust Documents, as the case may be.
- 3.2. In case of any inconsistency between the terms of the Trust Deed and this Policy, the terms of the Trust Deed shall prevail.

4. Borrowing Mechanism

4.1. Borrowings and Deferred Payments

- 4.1.1. The Highways Trust may raise debt and avail borrowings and deferred payments from time to time, including through issuance of debt securities, in the manner specified by SEBI and availing loans from banks and financial institutions, by any instrument, in Indian or foreign currency in accordance with Applicable Law.
- 4.1.2. The Highways Trust also has the power to create, mortgage or secure any of its Project SPVs (Highways Trust Assets) or provide guarantees in order to borrow funds in accordance with Applicable Law.
- 4.1.3. The borrowings made by the related parties shall be in line with the SEBI InvIT Regulations.

4.2. Borrowing Limits

- 4.2.1. The Investment Manager and Trustee shall, (on receipt of advice from the Investment Manager), have the power to borrow monies (through any mode, including by way of issuance of debt securities, subordinated debt, equity or other securities as permitted under Applicable Laws and the Trust Deed or instruments permitted under the SEBI InvIT Regulations or other Applicable Law) for Highways Trust from any person or authority (whether government or otherwise, whether Indian or overseas) on such terms and conditions, and for such periods and purpose, as may be permitted under the SEBI InvIT Regulations, and offer such security as it may deem fit, for the purpose of making such borrowing. However, the aggregate consolidated borrowings and deferred payments of the Highways Trust, net of cash and cash equivalents shall not exceed seventy percent of the Value of the Project SPVs. Further, the Trustee (acting in capacity of the trustee of the Highways Trust) shall have the power to create charge, security interest and/or lien over any or all of the assets of the Highways Trust (both, present or future), to secure and/or guarantee the performance of any of the obligations of the SPVs, as it may deem fit.

4.3. Investment Manager Disclosures

4.3.1. The Investment Manager shall submit an annual report to the Trustee, the designated stock exchange and Unitholders of the Highways Trust, either electronically or through physical copies, with the following:

4.3.1.1. Details of changes during the year pertaining to borrowings or repayment of borrowings (standalone at Project SPV level and consolidated at the Highways Trust level); and

4.3.1.2. Details of outstanding borrowings and deferred payments of Highways Trust including but not limited to any credit rating(s), debt maturity profiles, and debt service coverage ratio of the Highways Trust on a consolidated and standalone basis as at the end of the year.

5. Conflict with Law

5.1. The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

5.2. Notwithstanding the above, this Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the SEBI InvIT Regulations, without any action from the Investment Manager or approval of the Unitholders of the Highways Trust.

Annexure II
Audited Financial Statement for last 3 (Three) Financial Year

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Highways Infrastructure Trust

Unaudited consolidated half yearly results for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 13)	(Unaudited)
Income and gains			
Revenue from operations	3,377.15	3,164.77	2,987.58
Interest income from bank deposits	45.54	71.08	50.43
Profit on sale of assets/investments	32.75	66.10	59.94
Other income	10.86	12.35	18.82
Total Income and gains	3,466.30	3,314.30	3,116.77
Expenses and losses			
Valuation expenses	0.43	1.81	0.59
Audit fees (Statutory auditor of Trust)	10.46	10.45	6.93
Audit fees (Auditor of subsidiaries)	2.27	1.76	3.88
Insurance and security expenses	15.45	23.25	22.41
Employee benefits expense	56.12	50.83	53.20
Project management fees (refer note b (i) and (ii))	75.56	53.55	-
Investment manager fees (refer note b (i) and (ii))	163.60	99.81	11.80
Management support services fee	-	31.68	215.75
Trustee fees	1.02	3.25	1.18
Depreciation on property, plant and equipment	11.53	12.68	14.28
Amortization of intangible assets	655.22	601.05	537.96
Finance costs			
Interest on term loan, non convertible debentures and others	583.47	663.09	1,080.02
Finance and bank charges	157.25	132.25	315.23
Rating fee	4.49	1.82	0.53
Operation and maintenance expense	221.75	223.32	210.07
Corporate social responsibility	8.92	15.16	-
Provision for major maintenance obligation	301.46	257.04	159.35
Operating expenses	7.84	143.72	221.72
Independent consultancy and project monitoring fees	38.00	34.96	34.32
Legal and professional expenses	174.70	131.63	20.92
Other expenses	26.74	20.87	42.47
Total expenses and losses	2,516.28	2,513.98	2,952.61
Profit before tax for the period	950.02	800.32	164.16
Tax expense:			
Current tax	141.29	111.12	114.55
Deferred tax	(105.17)	(12.24)	409.06
Total tax expense	36.12	98.88	523.61
Profit/(loss) after tax for the period	913.90	701.44	(359.45)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit obligations	(0.15)	(0.06)	0.96
Income tax relating to these items	-	-	-
Total other comprehensive (loss) / income for the period	(0.15)	(0.06)	0.96
Total comprehensive income/(loss) for the period	913.75	701.38	(358.49)
Earnings per unit (not annualized)			
Basic (₹)	2.20	1.69	(0.87)
Diluted (₹)	2.20	1.69	(0.87)



Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

(i) Highways Infrastructure Trust

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
1	Net Distributable Cash Flows of the Project Entities			
	a) in the form of interest / accrued interest / additional interest	1,132.95	1,458.86	619.24
	b) in the form of dividend	665.00	861.11	1,032.21
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Highways Infrastructure Trust ("Trust")	615.81	3,178.77	86.00
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	75.74	21.90	272.55
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	-	2,524.80	16,104.23
3	Any other income accruing at the Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Trust	33.98	39.50	3.25
	Total cash inflow at the level (A)	2,523.48	8,084.94	18,117.48
	Adjustments:			
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(811.41)	(609.27)	(280.48)
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(5.49)	(104.30)	(11.80)
6	Income tax (if applicable) for standalone Trust and / or payment of other statutory dues	(14.24)	(16.88)	(1.39)
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	(95.83)	(16.67)
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(185.86)	(646.43)	(330.00)
9	Amount invested in any of the Project SPVs for service of debt or interest	(15.00)	(2,944.81)	(14,267.03)
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	141.30	1,053.78	(1,200.11)
	Total adjustments at the Trust level (B)	(1,003.20)	(3,363.74)	(16,107.48)
	Net Distributable cash flows (C)=(A+B)	1,520.29	4,721.20	2,010.00

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(ii) Dewas Bhopal Corridor Private Limited

S. No.	Particulars	01 April 2023 to 30 September 2023 (Unaudited)	01 October 2022 to 31 March 2023 (Refer note 13)	01 April 2022 to 30 September 2022 (Unaudited)
1	Profit after tax as per Statement of Profit and Loss (A)	565.25	542.69	477.85
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	231.01	199.13	4.32
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	97.87	88.18	85.24
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to			
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.44)	15.26	(15.21)
	• deferred tax, lease rents, provisions, etc.	(83.94)	(115.36)	(62.48)
	• any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	69.42	33.78	8.44
5	(Decrease)/increase in working capital	(38.96)	12.11	(27.84)
6	Gain on sale of investments	(6.69)	(36.83)	(8.70)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations').	-	-	2,814.94
8	Capital expenditure, if any	(2.73)	(0.41)	(0.84)
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(2,853.41)
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(43.94)	6.36	(6.36)
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	48.65	324.97	619.49
	Total Adjustments (B)	270.25	527.19	557.59
	Net Distributable cash flows (C)=(A+B)	835.50	1,069.88	1,035.44

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(iii) Nimal BOT Limited

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
1	Loss after tax as per Statement of Profit and Loss (A)	(9.38)	(101.19)	(142.76)
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	68.07	99.67	26.80
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	1.00	1.00	0.97
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to			
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	(1.37)	0.45
	• deferred tax, lease rents, provisions, etc.	(5.16)	(5.70)	(6.05)
5	(Decrease)/increase in working capital	(123.57)	14.23	(33.14)
6	Gain on sale of investments	(1.97)	(2.40)	(2.83)
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	238.00	182.98	206.43
8	Amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	-	(1.82)	1.82
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	-	1,158.30
10	Capital expenditure, if any	-	(0.28)	(0.23)
11	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(1,249.10)
12	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(140.35)	9.68	(9.68)
13	Payment of any other liabilities (not covered under working capital)	-	-	(5.18)
14	Any provision or reserve released/(set aside) deemed necessary by the Board of Directors for expenses / liabilities which may be due in future	6.06	-	-
15	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	48.05	461.14	57.32
	Total Adjustments (B)	90.13	757.13	145.87
	Net Distributable cash flows (C)=(A+B)	80.75	655.94	3.11

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(iv) Jodhpur Pali Expressway Private Limited

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
1	Loss after tax as per Statement of Profit and Loss (A)	(244.91)	(348.11)	(179.19)
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	362.57	315.84	163.82
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	37.78	37.73	27.72
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to			
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.55)	0.29	0.56
	• deferred tax, lease rents, provisions, etc.	12.40	72.67	31.00
	• any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	81.73	32.77	48.69
5	(Decrease)/ increase in working capital	(42.21)	(188.69)	4.51
6	Gain on sale of investments	(3.35)	(7.06)	(1.13)
7	Capital expenditure, if any	(10.64)	25.92	(33.62)
8	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	(1,189.10)	(65.25)
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	1,506.19	-
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	-	2.38	(2.38)
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	66.04	114.74	5.27
	Total Adjustments (B)	503.77	723.69	179.19
	Net Distributable cash flows (C)=(A+B)	258.86	375.58	-

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited

S. No.	Particulars	01 April 2023 to 30 September 2023 (Unaudited)	01 October 2022 to 31 March 2023 (Refer note 13)	01 April 2022 to 30 September 2022 (Unaudited)
1	Loss after tax as per Statement of Profit and Loss (A)	(114.90)	(500.78)	(129.41)
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	653.14	628.93	370.03
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	64.67	15.72	97.70
4	Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to			
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	7.18	(6.79)
	• deferred tax, lease rents, provisions, etc.	(21.95)	436.56	(7.31)
	• any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	44.18	35.53	20.42
5	(Decrease)/increase in working capital	(6.39)	3.48	(23.44)
6	Gain on sale of investments	(4.46)	(21.87)	(6.15)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	-	4,059.40
8	Capital expenditure, if any	(0.19)	(0.96)	(0.12)
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(4,100.76)
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	-	27.26	(27.26)
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	31.17	527.51	323.13
	Total Adjustments (B)	760.17	1,659.34	698.85
	Net Distributable cash flows (C)=(A+B)	645.27	1,158.56	569.44

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
1	Profit/(loss) after tax as per Statement of Profit and Loss (A)	75.00	(16.62)	7.29
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	61.27	180.57	37.53
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	465.26	428.44	382.98
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to			
	• any increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	8.95	0.09	-
	• deferred tax, lease rents, provisions, etc.	-	(8.89)	6.44
	• any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	200.49	210.48	112.89
5	(Decrease)/increase in working capital	(50.95)	34.50	8.85
6	Gain on sale of investments	(9.57)	(27.64)	(12.01)
7	Net proceeds (after applicable taxes) from sale of assets / investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently.	0.55	-	17.43
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	70.00	2,629.29
9	Capital expenditure, if any	(1.90)	(1.83)	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(2,840.24)
11	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(321.48)	15.10	(15.10)
12	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	-	205.89	(205.89)
13	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	89.71	1,046.15	-
	Total Adjustments (B)	442.33	2,152.85	122.18
	Net Distributable cash flows (C)=(A+B)	517.33	2,136.23	129.47

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

(vii) Shillong Expressway Private Limited

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
1	Profit/(Loss) after tax as per Statement of Profit and Loss (A)	47.16	(111.12)	29.09
	Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Infrastructure Trust as per profit and loss account	0.43	-	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss	0.17	0.14	0.15
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to			
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	(2.67)	2.79
	• deferred tax, lease rents, provisions, etc.	(12.10)	17.55	(64.76)
	• any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	-	26.03	0.63
5	Decrease in working capital	(153.79)	(20.16)	(16.76)
6	Gain on sale of investments	(4.69)	(2.81)	(6.30)
6	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	248.70	248.70	248.70
7	Amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	-	(306.73)	306.73
8	Capital expenditure, if any	(0.08)	(0.01)	(0.05)
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(702.33)
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(159.26)	-	-
11	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	15.00	-	-
12	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	-	74.92	(74.92)
13	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	170.24	200.59	549.57
	Total Adjustments (B)	104.62	235.55	243.46
	Net Distributable cash flows (C)=(A+B)	151.79	124.43	272.55

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

b. Project manager and Investment manager fees

(i) Project management fees

Pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis or on such other shorter basis as may be mutually agreed, to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Unaudited consolidated Financial Results of the Trust for the period from 01 April 2023 to 30 September 2023 includes amount of ₹ 75.56 millions (for the period from 01 October 2022 to 31 March 2023 : ₹ 53.55 millions and for the period from 01 April 2022 to 30 September 2022: ₹ Nil) toward project manager fees paid to HC One Project Manager Limited who is appointed as Project Manager w.e.f 14 November 2022.

(ii) Investment Management Fees

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e. Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Unaudited consolidated financial results for the period from 01 April 2023 to 30 September 2023 includes amount of ₹ Nil (for the period from 01 October 2022 to 31 March 2023 : ₹ (9.64) millions and for the period from 01 April 2022 to 30 September 2022: ₹ 11.80 millions) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the current Investment Manager i.e. Highway Concesssion One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the and the Special Purpose Vehicles of the ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Unaudited consolidated financial results for the period from 01 April 2023 to 30 September 2023 includes amount of ₹ 163.60 millions (for the period from 01 October 2022 to 31 March 2023 : ₹ 109.45 millions and for the period from 01 April 2022 to 30 September 2022: ₹ Nil) towards Investment Manager Fees to Highway Concesssion One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.

c. Statement of earnings per unit ('EPU')

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 13)	(Unaudited)
Profit /(loss) for the period (₹ millions)	913.90	701.44	(359.45)
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions)	415.50	415.50	415.50
Earnings per unit (basic and diluted) (₹)	2.20	1.69	(0.87)

d. Statement of contingent liabilities

Particulars	As at 30 September 2023	As at 31 March 2023	As at 30 September 2022
	(Unaudited)	(Audited)	(Unaudited)
Sales tax/ service tax and income tax cases in respect of which Special Purpose Vehicles ("SPV's") Group is in appeals	-	138.19	138.19
Income tax cases in respect of Groups	4.03	4.03	-
Claims raised against the SPV's Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals*	221.19	221.19	221.19
Labour welfare dues in respect of which SPV Group is on appeals*	47.78	47.78	47.78
Total	273.00	411.19	407.16

*The said contingent liability is covered under pass through arrangement as per assignment agreement of the Project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability will devolve on the Trust.

e. Statement of commitments

Particulars	As at 30 September 2023	As at 31 March 2023	As at 30 September 2022
	(Unaudited)	(Audited)	(Unaudited)
Estimated amount of contracts remaining to be executed on capital account	1,395.75	30.57	32.11
Total	1,395.75	30.57	32.11

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

I Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Subsidiaries

Ulundurpet Expressways Private Limited ("UEPL")
Nirmal BOT Limited ("NBL")
Godhra Expressways Private Limited ("GEPL")
Dewas Bhopal Corridor Private Limited ("DBCPL")
Shillong Expressway Private Limited ("SEPL")
Jodhpur Pali Expressway Private Limited ("JPEPL")

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp*

*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")
HC One Project Manager Private Limited

**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (x) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C. (vii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust upto 22 November 2022

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

A. Parties to Highways Infrastructure Trust

Sponsor Group:

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Entities or person(s) who control Sponsor (read along with Regulation 4(d) of the SEBI Regulations):

Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l

Highway Concessions One Private Limited ("HC1")- Investment Manager of Trust (w.e.f 23 November 2022)

Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (Upto 22 November 2022)

HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)

Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (Upto 13 November 2022)

Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

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

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)

Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited(w.e.f 23 November 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)

C. Directors / General partners / Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors / KMP of Galaxy Investment II Pte. Ltd

Tang Jin Rong
Goh Ping Hao
Madhura Narawane

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong
Madhura Narawane



- (iii) **Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd**
Tang Jin Rong
Goh Wei Chong
Matthew
- (iv) **General Partner of KKR Asia Pacific Infrastructure Investors SCSp**
KKR Associates AP Infrastructure SCSp
- (v) **General Partner of KKR Associates AP Infrastructure SCSp**
KKR AP Infrastructure S.à r.l. - General Partner
- (vi) **Managers of KKR AP Infrastructure S.à r.l**
Mr. Jason Carss (Class A)
Mr. Steven Codispoti (Class A)
Mr. Thomas Weber (Class B)
Mr. Stefan Lambert (Class B)
- (vii) **Directors/KMP of Virescent Infrastructure Investment Manager Private Limited**
Mr. Pradeep Kumar Panja, Director
Mr. Sanjay Grewal, Wholetime Director
Mr. Akshay Jaitly, Independent Director
Mr. Hardik Bhadrak Shah, Director
Mr. Aditya Narayan, Independent Director
Ms. Daisy Devassy Chittilapilly, Independent Director
Ms. Charmi bhoot, Company Secretary and Compliance Officer
- (viii) **Directors of Virescent Renewable Energy Project Manager Private Limited**
Mr. Sanjay Grewal, Director
Mr. Atul Raizada, Director
- (ix) **Directors of Axis Trustee Services Limited**
Ms. Deepa Rath CEO (KMP), Managing Director
Mr. Rajesh Kumar Dahiya (Director)
Mr. Ganesh Sankaran (Director)
- (x) **Directors/KMP of Highway Concessions One Private Limited**
Mr. Hardik Bhadrak Shah, Non-executive Director
Mr. Neeraj Sanghi, CEO (KMP), Whole time Director
Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)
Ms. Ami Vinoo Momaya, Non-executive Director
Mr. Subramanian Janakiraman, Independent Director (w.e.f 04 March 2022)
Mr. Manish Agarwal, Independent Director (from w.e.f 14 September 2022)
Ms. Kunjal Shah, Company Secretary and Compliance Officer
Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note 12)
- (xi) **Directors of HC One Project Manager Private Limited**
Mr. Neeraj Sanghi, Director (w.e.f 20 September 2022)
Mr. Zafar Khan, Director (w.e.f 20 September 2022)

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III. Transactions and outstanding balances with related party

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 13)	(Unaudited)
Galaxy Investment II Pte Ltd.			
Transaction during the period			
Issue of unit capital	-	-	37,390.00
Interest on OCD's	-	-	444.70
Investment in compulsarily convertible debentures ('CCD's)	-	-	3,060.00
Distribution to unit-holders [^]	1,621.08	5,426.24	-
Balance outstanding at the end of the period			
Unit capital	37,390.00	37,390.00	37,390.00
Highway Concessions One Private Limited			
Transaction during the period			
Reimbursement of expenses	5.49	7.83	37.02
Management fees	-	31.68	215.75
Transfer out obligation as per actuarial for employee benefit	-	-	0.86
Investment manager fees	163.60	109.25	-
Balance outstanding at the end of the period			
Trade and other payables	104.29	151.87	45.57
Transfer out obligation as per actuarial for employee benefit	-	-	0.86
Virescent Infrastructure Investment Manager Private Limited			
Transaction during the period			
Reimbursement of expenses	-	36.38	34.87
Investment manager fees	-	(9.44)	11.80
Balance outstanding at the end of the period			
Investment manager fees payable	-	2.16	11.80
HC One Project Manager Private Limited			
Transaction during the period			
Project manager fees	75.56	53.55	-
Advance payment of Project Manager Fees	108.32	44.05	-
Balance outstanding at the end of the period			
Project manager fees payable	-	1.92	-
Advance payment of Project Manager Fees	32.76	-	-
Axis Trustee Services Limited			
Transaction during the period			
Trustee fees	0.71	0.83	0.27
Balance outstanding at the end of the period			
Trustee fees	1.42	-	-
Axis Bank Limited			
Transaction during the period			
Loan taken	-	450.25	44.23
Processing fees	-	-	3.54
Repayment of loan taken	5.00	5.00	702.33
Interest on loan given	19.86	15.42	9.59
Interest on bank deposits	1.84	0.97	7.38
Bank charges	0.01	0.01	0.01
Investment in bank deposits	181.51	27.70	-
Redemption of term deposits	171.25	148.50	385.21
Balance outstanding at the end of the period			
Interest payable on loan	0.04	-	-
Loan payable	484.48	489.48	44.23
Interest accrued on bank deposits	0.71	0.25	1.59
Outstanding bank deposits	19.99	9.73	130.53
Closing balance of current account	13.34	10.09	7.16

[^] Pertains to the distributions made during the period ended 30 September 2023 and does not include the distribution relating to quarter ended 30 September 2023 which will be paid after 30 September 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (ND CF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital and redemption of instruments.



IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder :

For the half year ended 30 September 2023:

No acquisition during the half year ended 30 September 2023

For the half year ended 31 March 2023:

No acquisition during the half year ended 31 March 2023

For the half year ended 30 September 2022:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the half year ended 30 September 2022:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs").

C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

D No external financing has been obtained for acquisition of above subsidiaries.

E No fees or commision received or to be received from any associate party in relation to acquisition of Project SPVs.

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.18.1 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(all amounts in ₹ millions, except ratios)

(a) Ratios pursuant to 4.18.1 (b) of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023

Sl.No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 13)	(Unaudited)
(a)	Debt equity ratio (in times) [Non-current borrowings + Current borrowings] / Total equity]	4.26	3.37	1.52
(b)	Debt service coverage ratio (in times) [Profit before tax, finance costs, exceptional items / Finance costs + Principal repayment for borrowings]	1.98	1.79	0.12
(c)	Interest service coverage ratio (in times) [Profit before tax, finance costs, depreciation and amortisation expense, exceptional items / Finance costs]	3.18	2.78	1.51
(d)	Net worth [Unit capital + Other equity]	3,448.67	4,381.66	9,754.00

Notes:

(i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 30 September 2023 amounting to ₹ 6,391.10 millions (31 March 2023: ₹ 6,416.05 millions, 30 September 2022: ₹ 6,500.00 millions) for Series I and Series II which will mature on 22 December 2025 and 22 September 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of NCD's as at 30 September 2023

(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:

(i) all receivables of the Issuer from the HoldCos and SPVs;

(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;

(iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;

(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and

(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future.

b) first ranking pari passu charge by way of mortgage on all immoveable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer.

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs ;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA ;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities");

g) undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee; and

h) unconditional and irrevocable corporate guarantee by each of the SPVs and the Holdcos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee").

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- 1 The unaudited consolidated financial results of Highways Infrastructure Trust ("Trust") for half year ended 30 September 2023 have been reviewed by the Audit Committee of Highway Concessions One Private Limited at their meeting held on 09 November 2023 and approved by the Board of Directors of the Investment Manager at their meeting held on 09 November 2023. The statutory auditors have issued an unmodified review report on these unaudited consolidated financial results.
- 2 The unaudited consolidated financial results comprises the unaudited consolidated statement of profit and loss (including other comprehensive income) for the half year ended 30 September 2023, explanatory notes and the additional disclosures as required in chapter 4 and paragraph 4.18 of the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder (herein referred to as "the SEBI circular") (unaudited consolidated financial results). The unaudited consolidated financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 including Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) and other accounting principles generally accepted in India and in accordance with the presentation and disclosure requirements of Regulation 23 of the SEBI Regulations read with the SEBI Circular.
- 3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- 4 **Distribution related to FY 2022-2023:**
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.
Distribution related to FY 2023-2024:
The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions in their meeting held on 11 August 2023 and the aforesaid distribution was paid to eligible unitholders on 22 August 2023. Subsequent to quarter ended 30 September 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions in their meeting held on 09 November 2023.
- 5 During the previous year ended 31 March 2023, three of the project SPV's viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the current half year ended 30 September 2023, the Hon'ble NCLT has approved the capital reduction Scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai is received on 14 August 2023 and the impacts of the same have been considered in the unaudited standalone financial results for the half year ended 30 September 2023. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. The final order is awaited in UEPL.
- 6 During the half year ended 30 September 2023, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicle owned by H.G. Infra Engineering Limited i.e. H.G. Ateli Narnaul Highway Private Limited, H.G. Rewari Ateli Highway Private Limited, Gurgaon Sohna Highway Private Limited and H.G. Rewari Bypass Private Limited. Approval for change in ownership is received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. H.G. Ateli Narnaul Highway Private Limited, Gurgaon Sohna Highway Private Limited and H.G. Rewari Ateli Highway Private Limited. However, the completion of acquisitions would depend upon receipt of relevant approvals and completion of contractual obligations.

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- 7 During the quarter ended 30 September 2023, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150 million ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects: (a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the H.G. Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV") (b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and (c) for general purposes. Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.
- Subsequent to the half year ended 30 September 2023, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 millions, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.
- 8 During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Navayuga Udupi Tollway Private Limited ("NUTPL") in one or more tranches and management control in NUTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). Subsequent to the current half year ended 30 September 2023, the Trust has acquired controlling stake effective from 02 November 2023 and NUTPL become subsidiary of the Trust.
- 9 During the half year ended 30 September 2023, the Board of Directors of the Investment Manager has executed the share purchase agreement on 28 July 2023 for the acquisition of the following Target Entities:
- Up to 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1" and other shareholders of GRICL (as applicable); and
 - 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India 3 Pte. Ltd ("MAIF 2").
- The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 10 During the half year ended 30 September 2023, the Board of Directors of the Investment Manager has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd. The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 11 Subsequent to the current half year ended 30 September 2023, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and
 - Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs was listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions
- 12 During the half year ended 30 September 2023, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Doraiswamy shall continue to hold his current position of CFO on or before 31 December, 2023 (end of business hours) and post that will also cease to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September, 2023 have approved the appointment of Mr. Abhishek Chhajera as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which will be effective on or before 01 January, 2024. Mr. Abhishek Chhajera will also be appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.

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Highways Infrastructure Trust

Notes to Unaudited Consolidated Financial results for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

- 13 The consolidated financial results for the half year ended 31 March 2023, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half year ended 30 September 2022, which were subject to limited review by us.
- 14 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these unaudited consolidated financial results.
- 15 All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00

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


Kunjal Shah
Compliance Officer
Membership No: A27382

Place: Mumbai
Date: 09 November 2023


Natarajan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 09 November 2023


Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Place: Mumbai
Date: 09 November 2023



Highways Infrastructure Trust

Unaudited Standalone Financial Results of the Trust for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2023 to 30 September 2023 (Unaudited)	01 October 2022 to 31 March 2023 (Refer note 14)	01 April 2022 to 30 September 2022 (Unaudited)
Income and gains			
Revenue from operations			
Dividend income from subsidiaries	626.75	1,642.21	-
Interest income on loans from subsidiaries	1,376.49	1,424.13	157.80
Other income			
Interest on bank deposits	32.95	39.50	3.25
Others	3.45	-	-
Total income and gains	2,039.64	3,105.84	161.05
Expenses and losses			
Finance costs			
Interest on term loan and non convertible debentures and others	583.47	557.09	27.04
Finance and bank charges	0.52	0.01	0.56
Valuation expenses	0.43	1.19	0.59
Audit fees	10.46	10.45	6.93
Investment manager fees (refer note b)	32.72	13.07	11.80
Trustee fee	0.92	1.51	1.18
Rating expenses	4.45	0.49	-
Legal and professional	160.65	116.60	12.73
Other expenses	10.71	14.81	1.52
Total expenses and losses	804.33	715.22	62.35
Profit before exceptional items and tax for the period	1,235.31	2,390.62	98.70
Exceptional items (refer note 5)	1,417.91	1,879.71	164.88
(Loss)/profit before tax for the period	(182.60)	510.91	(66.18)
Tax expense:			
Current tax	14.24	16.88	1.39
Deferred tax	-	-	-
Total tax expense	14.24	16.88	1.39
(Loss)/profit after tax for the period	(196.84)	494.03	(67.57)
Other comprehensive income for the period	-	-	-
Total comprehensive (loss)/ income for the period	(196.84)	494.03	(67.57)
Earning per unit (not annualized)			
Basic (₹)	(0.47)	1.19	(0.76)
Diluted (₹)	(0.47)	1.19	(0.76)



Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

S. No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 14)	(Unaudited)
1	Net Distributable Cash Flows of the Project Entities			
	a) in the form of interest / accrued interest / additional interest	1,132.95	1,458.86	619.24
	b) in the form of dividend	665.00	861.11	1,032.21
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Highways Infrastructure Trust ("the Trust")	615.81	3,178.77	86.00
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	75.74	21.90	272.55
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	-	2,524.80	16,104.23
3	Any other income accruing at the Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Trust	33.98	39.50	3.25
	Total cash inflow at the InvIT level (A)	2,523.48	8,084.94	18,117.48
	Adjustments:			
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(811.41)	(609.27)	(280.48)
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(5.49)	(104.30)	(11.80)
6	Income tax (if applicable) for standalone Trust and / or payment of other statutory dues	(14.24)	(16.88)	(1.39)
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	(95.83)	(16.67)
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(185.86)	(646.43)	(330.00)
9	Amount invested in any of the Project SPVs for service of debt or interest	(15.00)	(2,944.81)	(14,267.03)
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	141.30	1,053.78	(1,200.11)
	Total cash outflow/retention at the Trust Level (B)	(1,003.20)	(3,363.74)	(16,107.48)
	Net Distributable Cash Flows (C)=(A+B)	1,520.29	4,721.20	2,010.00

b. Investment manager fees

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. unaudited standalone statement of profit and loss for the half year ended 30 September 2023 includes amount of Nil (for the period from 01 October 2022 to 31 March 2023: ₹ (9.44) millions, for the period from 01 April 2022 to 30 September 2022: ₹ 11.80 millions) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the new Investment Manager i.e Highway Concessions One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Unaudited standalone statement of profit and loss for the half year ended 30 September 2023 includes amount of ₹ 32.72 millions (for the period from 01 October 2022 to 31 March 2023: ₹ 22.51 millions and for the period from 01 April 2022 to 30 September 2022: ₹ Nil) towards Investment Management Fees to Highway Concessions One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.

c. Statement of earnings per unit ('EPU')

Basic EPU amounts are calculated by dividing the profit for the period/ year attributable to unit holders by the weighted average number of units outstanding during the period. 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 plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 14)	(Unaudited)
(Loss)/profit for the period (₹ millions)	(196.84)	494.03	(67.57)
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions)	415.50	415.50	88.55
Earning per unit (basic and diluted) (₹)	(0.47)	1.19	(0.76)

d. Contingent Liabilities as at 30 September 2023 is Nil (31 March 2023: Nil and 30 September 2022: Nil)

e. Commitments as at 30 September 2023 is Nil (31 March 2023: Nil and 30 September 2022: Nil)



(All amounts in ₹ millions unless otherwise stated)

f. Statement of Related Parties

I List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

Subsidiaries

Dewas Bhopal Corridor Private Limited ("DBCPL")
Nirmal BOT Limited ("NBL")
Jodhpur Pali Expressway Private Limited ("JPEPL")
Godhra Expressways Private Limited ("GEPL")
Ulundurpet Expressways Private Limited ("UEPL")
Shillong Expressway Private Limited ("SEPL")

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd

Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp*

*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further, KKR Associates AP Infrastructure SCSp is in turn managed by its general partner KKR AP Infrastructure S.à r.l.

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")
HC One Project Manager Private Limited

**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (x) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C. (vii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust upto 22 November 2022

II. List of additional related parties as per Regulation 2(1)(zv) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations')

A. Parties to Highways Infrastructure Trust

Sponsor Group:

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Entities or person(s) who control Sponsor (read along with Regulation 4(d) of the SEBI Regulations):

Galaxy Investments Pte. Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp
KKR Associates AP Infrastructure SCSp
KKR AP Infrastructure S.à r.l

Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust (w.e.f 23 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (up to 22 November 2022)
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (up to 13 November 2022)
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

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

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)
Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)
Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)

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C. Directors / General partners / Managers of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors / KMP of Galaxy Investment II Pte. Ltd

Tang Jin Rong
Madhura Narawane
Goh Ping Hao

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong
Madhura Narawane

(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd

Tang Jin Rong
Goh Wei Chong
Matthew

(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

(v) General Partner of KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l. - General Partner

(vi) Managers of KKR AP Infrastructure S.à r.l

Mr. Jason Carss (Class A)
Mr. Steven Codispoti (Class A)
Mr. Thomas Weber (Class B)
Mr. Stefan Lambert (Class B)

(vii) Directors and KMP of Virescent Infrastructure Investment Manager Private Limited

Mr. Pradeep Kumar Panja, Director
Mr. Sanjay Grewal, Wholetime Director
Mr. Akshay Jaitly, Independent Director
Mr Hardik Bhadrak Shah, Director
Mr Aditya Narayan, Independent Director
Ms Daisy Devassy Chittilapilly, Independent Director
Ms. Charmi Bhoot, Compliance officer and Compliance Officer

(viii) Directors of Virescent Renewable Energy Project Manager Private Limited

Mr. Sanjay Grewal, Director
Mr. Atul Raizada, Director

(ix) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director
Mr. Rajesh Kumar Dahiya (Director)
Mr. Ganesh Sankaran (Director)

(x) Directors and KMP of Highway Concessions One Private Limited

Mr Hardik Bhadrak Shah, Non-executive Director
Mr Neeraj Sanghi, CEO (KMP), Whole time Director
Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)
Ms. Ami Vinoo Momaya, Non-executive Director
Mr Subramanian Janakiraman, Independent Director (w.e.f 04 March 2022)
Mr Manish Agarwal, Independent Director (w.e.f 14 September 2022)
Ms. Kunjal Shah, Company Secretary and Compliance Officer
Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note 12)

(xi) Directors of HC One Project Manager Private Limited

Mr Neeraj Sanghi, Director (w.e.f 20 September 2022)
Mr Zafar Khan, Director (w.e.f 20 September 2022)

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(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 14)	(Unaudited)
Galaxy Investment II Pte Ltd.			
Transaction during the period			
Issue of unit capital	-	-	37,390.00
Distribution to unit-holders^	1,621.08	5,426.24	-
Investment in compulsarily convertible debentures ('CCD's')	-	-	3,060.00
Balance outstanding at the end of the period			
Unit capital	37,390.00	37,390.00	37,390.00
Highway Concessions One Private Limited			
Transaction during the period			
Reimbursement of expenses	5.49	7.83	37.02
Investment manager fees	32.72	22.51	-
Balance outstanding at the end of the period			
Investment manager fees payable	15.57	20.60	37.02
Reimbursement of expenses payable	5.49	-	-
Virescent Infrastructure Investment Manager Private Limited			
Transaction during the period			
Reimbursement of expenses	-	36.38	34.87
Investment manager fees	-	(9.44)	11.80
Balance outstanding at the end of the period			
Investment manager fees payable	-	2.16	11.80
Nirmal BOT Ltd			
Transaction during the period			
Loan given	-	-	1,158.30
Investment in optionally convertible debentures ("OCD's") of subsidiaries	-	-	331.11
Proceeds from redemption of optionally convertible debentures ("OCD's") of subsidiaries	10.00	321.12	-
Impairment of non-current investment (Exceptional items)	11.23	151.36	92.69
Investment in equity instruments of subsidiaries	-	-	354.41
Interest on loan given	67.86	79.27	3.55
Interest on CCD's and OCD's given	0.21	20.41	4.95
Refund of loan given	-	188.88	-
Balance outstanding at the end of the period			
Investments in equity instruments of subsidiaries (net of impairment)	99.13	110.36	261.72
Investment in compulsorily convertible debentures ("CCD's") of subsidiaries	-	-	331.11
Investment in optionally convertible debentures ("OCD's") of subsidiaries	-	9.98	-
Interest receivable	11.50	0.37	39.75
Loan receivable	969.42	969.42	1,158.30
Dewas Bhopal Corridor Private Limited			
Transaction during the period			
Loan given	-	-	2,814.94
Impairment of non-current investment (Exceptional items)	-	136.85	-
Recognition of loan pursuant to equity share capital reduction	-	600.14	-
Refund of loan given	-	115.00	-
Investment in equity instruments of subsidiaries	-	-	12,969.36
Tax deducted at source on account of capital reduction	0.60	-	-
Reduction in value of investment in equity pursuant to share capital reduction	-	614.36	-
Interest on loan given	231.01	199.13	4.32
Distribution received	484.72	1,642.21	-
Loss on reduction of investment in equity	-	14.22	-
Balance outstanding at the end of the period			
Investments in equity instruments of subsidiaries (net of impairment)	12,218.15	12,218.15	12,969.36
Loan receivable	3,300.08	3,300.08	2,814.94
Interest receivable	1.03	3.71	4.32
Other Payable	0.60	-	-
Ulundurpet Expressways Private Limited			
Transaction during the period			
Loan given	-	70.00	2,629.28
Refund of loan given	758.42	1,375.31	84.33
Investment in optionally convertible debentures ("OCD's") of subsidiaries	-	-	219.04
Proceeds from redemption of OCD's of subsidiaries	10.00	209.05	-
Investment in equity instruments of subsidiaries	-	-	3,004.95



Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder (cont'd)

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 14)	(Unaudited)
Ulundurpet Expressways Private Limited			
Transaction during the period			
Interest on loan given	61.06	166.97	22.15
Interest on CCD's and OCD's	0.21	13.60	3.28
Balance outstanding at the end of the period			
Investment in equity instruments of subsidiaries	3,004.95	3,004.95	3,004.95
Investment in optionally convertible debentures ("OCD's") of subsidiaries	-	9.99	219.04
Interest receivable	13.74	0.53	24.92
Loan receivable	481.22	1,239.65	2,544.95
Godhra Expressways Private Limited			
Transaction during the period			
Loan given	-	-	4,059.40
Recognition of loan pursuant to equity share capital reduction	1,532.26	-	-
Refund of loan given	65.83	3.33	1.67
Investment in optionally convertible debentures (OCD's) of subsidiaries	-	-	5,094.01
Proceeds from redemption of OCD's of subsidiaries	-	561.76	-
Tax deducted at source on account of capital reduction	1.53	-	-
Investment in equity instruments of subsidiaries	-	-	11,167.09
Reduction in value of investment in equity pursuant to share capital reduction	1,540.70	-	-
Interest on loan given	335.87	283.23	12.46
Interest on CCD's and OCD's	317.27	345.71	72.17
Loss on reduction of investment in equity	8.44	-	-
Balance outstanding at the end of the period			
Investment in equity instruments of subsidiaries	9,626.39	11,167.09	11,167.09
Investment in optionally convertible debentures ("OCD's") of subsidiaries	4,532.25	4,532.25	5,094.01
Interest receivable on rupee term loan (RTL)	55.45	1.55	60.17
Interest receivable on OCD's	105.76	54.11	-
Loan receivable	5,520.83	4,054.40	4,057.74
Other payable	1.53	-	-
Jodhpur Pali Expressway Private Limited			
Transaction during the period			
Loan given	-	2,874.81	-
Refund of loan given	84.92	5.00	-
Investment in optionally convertible debentures ("OCD's") of subsidiaries	-	-	2,333.70
Impairment of non-current investment (Exceptional items)	1,406.68	1,509.31	-
Investment in equity instruments of subsidiaries	-	-	3,863.25
Interest on loan given	199.20	152.90	-
Interest on CCD's and OCD's	163.37	162.92	34.91
Balance outstanding at the end of the period			
Investments in equity instruments of subsidiaries (net of impairment)	947.27	2,353.94	3,863.25
Investment in optionally convertible debentures ("OCD's") of subsidiaries	2,333.70	2,333.70	2,333.70
Interest receivable on OCD's and CCD's	346.39	183.02	255.12
Interest receivable on rupee term loan	69.78	17.34	-
Loan receivable	2,784.89	2,869.81	-
Shillong Expressway Private Limited			
Transaction during the period			
Loan given	15.00	-	-
Impairment of non-current investment (Exceptional items)	-	82.19	72.19
Dividend received	142.03	-	-
Investment in equity instruments of subsidiaries	-	-	356.27
Investment in preference shares of subsidiaries	-	-	545.10
Redemption of preference shares	97.64	272.55	-
Interest on loan given	0.43	-	-
Balance outstanding at the end of the period			
Investments in equity instruments of subsidiaries (net of impairment)	201.89	201.89	284.08
Investment in preference shares of subsidiaries	174.91	272.55	545.10
Interest receivable on RTL	0.43	-	-
Loan receivable	15.00	-	-



Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder (cont'd)

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
	(Unaudited)	(Refer note 14)	(Unaudited)
Axis Trustee Services Limited			
Transaction during the period			
Trustee fees	0.71	0.83	-
Balance outstanding at the end of the period			
Trustee fees	1.42	-	-
Axis Bank Limited			
Transaction during the period			
Rupee term loan taken	-	450.25	44.23
Processing fees	-	-	3.54
Repayment of rupee term loan	5.00	5.00	-
Interest on rupee term loan	19.86	15.42	0.03
Balance outstanding at the end of the period			
Interest payable on loan	0.04	-	-
Rupee term loan payable	484.48	489.48	44.23

^ Pertains to the distributions made during period ended 30 September 2023 along with distribution of the last quarter of FY 2022-2023 and does not include the distribution relating to 30 September 2023 which will be paid after 30 September 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (ND CF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.



- IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder:

For the half year ended 30 September 2023:

No acquisition during the half year ended 30 September 2023

For the half year ended 31 March 2023:

No acquisition during the half year ended 31 March 2023

For the half year ended 30 September 2022:

- A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

- B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs")

- C Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

- D No external financing has been obtained for acquisition of above subsidiaries.

- E No fees or commision received or to be received from any associate party in relation to acquisition of Project SPVs.

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Highways Infrastructure Trust

Additional disclosure as required by paragraph 4.18 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder

(all amounts in ₹ millions, except ratios)

(a) Ratios pursuant to 4.18.1 (b) of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023

Sl.No.	Particulars	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2022 to 30 September 2022
		(Unaudited)	(Refer note 14)	(Unaudited)
(a)	Debt equity ratio (in times) [(Non-current borrowings + Current borrowings) / Total equity]	0.42	0.40	0.28
(b)	Debt service coverage ratio (in times) [(Loss)/profit before tax, finance costs, exceptional items / {Finance costs + Principal repayment for borrowings}]	4.65	4.52	2.85
(c)	Interest service coverage ratio (in times) [(Loss)/profit before tax, finance costs, exceptional items /	3.12	5.29	4.58
(d)	Net worth [Unit capital + Other equity]	33,836.60	35,834.88	41,371.38

Notes:

i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 30 September 2023 amounting to ₹ 6,391.10 millions (31 March 2023: ₹ 6,416.05 millions, 30 September 2022: ₹ 6,500.00 millions) for Series I and Series II which will mature on 22 December 2025 and 22 September 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of NCD's as at 30 September 2023

(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:

- all receivables of the Issuer from the HoldCos and SPVs;
- loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;
- dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;
- inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and
- all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future.

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

g) undertaking from SPV and Holdco, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee; and

h) unconditional and irrevocable corporate guarantee by each of the SPVs and the Hold cos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee").

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Highways Infrastructure Trust

Notes to the unaudited standalone financial results of the Trust for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

- 1 The unaudited standalone financial results of the Highways Infrastructure Trust ("Trust") for half year ended 30 September 2023 have been reviewed by the Audit Committee of Highway Concessions One Private Limited at their meeting held on 09 November 2023 and approved by the Board of Directors of the Investment Manager at their meeting held on 09 November 2023. The statutory auditors have issued an unmodified review report on these standalone unaudited financial results.
- 2 The unaudited standalone financial results comprises the unaudited standalone statement of profit and loss (including Other Comprehensive Income) for the half year ended 30 September 2023, explanatory notes and the additional disclosures as required in chapter 4 and paragraph 4.18 of the SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder (herein referred to as 'the SEBI Circular') ('unaudited standalone financial results'). The unaudited standalone financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 including Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) and other accounting principles generally accepted in India and in accordance with the presentation and disclosure requirements of Regulation 23 of the SEBI Regulations read with the SEBI Circular.
- 3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- 4 **Distribution related to FY 2022-2023:**
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.
Distribution related to FY 2023-2024:
The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions in their meeting held on 11 August 2023 and the aforesaid distribution was paid to eligible unitholders on 22 August 2023. Subsequent to quarter ended 30 September 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions in their meeting held on 09 November 2023.
- 5 As per Ind AS 36 "Impairment of assets", Management carried out the impairment assessment of investment in subsidiaries and provided for impairment loss for period ended 30 September 2023: ₹ 1,417.91 millions (for the period from 01 October 2022 to 31 March 2023: ₹ 1,879.71 millions and for the period from 01 April 2022 to 30 September 2022: ₹ 164.88 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis).
- 6 During the previous year ended 31 March 2023, three of the project SPV's viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPV's which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the current half year ended 30 September 2023, the Hon'ble NCLT has approved the capital reduction Scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai is received on 14 August 2023 and the impacts of the same have been considered in the unaudited standalone financial results for the half year ended 30 September 2023. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. The final order is awaited in UEPL.
- 7 During the half year ended 30 September 2023, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. H.G. Ateli Narnaul Highway Private Limited, H.G. Rewari Ateli Highway Private Limited, Gurgaon Sohna Highway Private Limited and H.G. Rewari Bypass Private Limited. Approval for change in ownership is received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. H.G. Ateli Narnaul Highway Private Limited, Gurgaon Sohna Highway Private Limited and H.G. Rewari Ateli Highway Private Limited. However, the completion of acquisitions would depend upon receipt of relevant approvals and completion of contractual obligations.
- 8 During the half year ended 30 September 2023, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150 million ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects: (a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the H.G. Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV") (b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and (c) for general purposes. Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.

Subsequent to the half year ended 30 September 2023, the Investment Manager of the trust has approved allotment of 6,59,31,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.

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Highways Infrastructure Trust

Notes to the unaudited standalone financial results of the Trust for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

- 9 During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Navayuga Udupi Tollway Private Limited ("NUTPL") in one or more tranches and management control in NUTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). Subsequent to the current half year ended 30 September 2023, the Trust has acquired controlling stake effective from 02 November 2023 and NUTPL become subsidiary of the Trust.
- 10 During the half year ended 30 September 2023, the Board of Directors of the Investment Manager has executed the share purchase agreement on 28 July 2023 for the acquisition of the following Target Entities:
- (i) Up to 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL (as applicable); and
- (ii) 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India 3 Pte. Ltd ("MAIF 2").
- The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 11 During the half year ended 30 September 2023, the Board of Directors of the Investment Manager has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd. The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 12 During the half year ended 30 September 2023, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Doraiswamy shall continue to hold his current position of CFO on or before 31 December 2023 (end of business hours) and post that will also cease to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September 2023 have approved the appointment of Mr. Abhishek Chhajjer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which will be effective on or before 01 January 2024. Mr. Abhishek Chhajjer will also be appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.
- 13 Subsequent to the current half year ended 30 September 2023, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- (i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and.
- (ii) Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs was listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions

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Highways Infrastructure Trust

Notes to the unaudited standalone financial results of the Trust for the half year ended 30 September 2023

(All amounts in ₹ millions unless otherwise stated)

- 14 The Statement includes the unaudited standalone financial results for the half year ended 31 March 2023, being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half year ended 30 September 2022, which were subject to limited review by us.
- 15 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these unaudited standalone financial results.
- 16 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.



Kunjal Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 09 November 2023



Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 09 November 2023

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



Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Place: Mumbai
Date: 09 November 2023



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Independent Auditor's Report

To the Unitholders' of Highways Infrastructure Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Highways Infrastructure Trust ('the Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended, the Consolidated Statement of Net Assets at Fair Value as at 31 March 2023, the Consolidated Statement of Total Returns at Fair Value and the Consolidated statement of Net Distributable Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, as referred to in paragraph 16 below, the aforesaid consolidated financial statements give the information required the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the Companies Indian Accounting Standards Rules, 2015, as amended and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in unitholder's equity for the year ended on that date, the consolidated net assets at fair value as at 31 March 2023, the consolidated total returns at fair value and the consolidated net distributable cash flows for the year ended then ended.



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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing (SA's) and other pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>A. Acquisition of road assets</p> <p>Refer note 2B(b) for significant accounting policies and refer note 48 to the consolidated financial statements of the Trust for the year ended 31 March 2023.</p> <p>During the current year ended 31 March 2023, the Trust has invested in following special purpose infrastructure project entities ('SPVs') identified by the Board of Directors of the Investment Manager and acquired such entities on 23 August 2022 ('acquisition date') for an equity consideration of ₹ 31,715.33 millions from Galaxy Investments II Pte Limited namely Ulundurpet Expressways Private Limited ("UEPL"), Nirmal BOT Limited ("NBL"), Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL"), Shillong Expressway Private Limited ("SEPL"), Jodhpur Pali Expressway Private Limited ("JPEPL")</p> <p>Galaxy Investments II Pte Limited had earlier acquired DBCPL, NBL, JPEPL, GEPL and UEPL on 17 December 2021 and SEPL on 13 January 2022.</p> <p>As defined under Appendix C to Ind AS 103 - Business combinations, 'Business combinations of entities under common control', means a business combination involving entities in which all the combining entities or business are ultimately</p>	<p>Our key procedures included, but were not limited to, the following:</p> <ol style="list-style-type: none"> Obtained an understanding of management's process of business combination accounting and evaluated the design of the Trust's key controls over the accounting of business combination; Obtained the executed agreements and contracts relating to the acquisition and identified pertinent terms relevant to the accounting of the transaction in addition to comparing the underlying information inputs such as purchase consideration, net assets acquired etc.; Obtained the financial statements audited by respective auditors of DBCPL, NBL, JPEPL, GEPL, UEPL as at 17 December 2021 and 23 August 2022 and for SEPL as at 13 January 2022 and 23 August 2022; Assessed the appropriateness of the accounting policy adopted by the Investment Manager for the business combination in accordance with Appendix C to Ind AS 103; Evaluated management's assessment of accounting for the business combination and computation of restated comparative financial information and determined that it is appropriately accounted for in accordance with 'Pooling of

Walker Chandio & Co LLP

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>controlled by the same party or parties both before and after the business combination, and that control is not transitory. The management has evaluated that the Investment Manager of the Trust is acting on behalf of Sponsor and primary unitholder of the Trust, Galaxy Investments II Pte Limited, while carrying out its responsibilities with respect to the Trust, and thus, the Trust and all the project SPVs have considered to be ultimately controlled by Galaxy Investments II Pte Limited, both before and after the acquisition.</p> <p>Accordingly, the acquisition of the SPVs by the Trust was determined to be a common control business combination accounted for using the 'Pooling of interests' method prescribed under Appendix C to Ind AS 103, according to which the assets, liabilities and reserves of SPVs acquired have been recorded at their respective book values and the difference between the purchase consideration and the aforesaid book value, amounting to ₹ 28,514.38 has been adjusted with the 'Acquisition adjustment deficit account' under Other equity as further described in aforementioned note. Further, the comparative periods presented in the financial statements have been restated as if the acquisition had occurred on 17 December 2021 for DBCPL, NBL, JPEPL, GEPL and UEPL and on 13 January 2022 for SEPL, irrespective of the actual date of the combination which is 23 August 2022.</p> <p>Considering the magnitude of the transaction and management judgement involved, the aforesaid business combination treatment in consolidated financial statements has been considered to be a key audit matter for the current year audit.</p>	<p>interests' method prescribed under Appendix C to Ind AS 103; and</p> <p>f) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of Appendix C to Ind AS 103.</p>
<p>B. Impairment of intangible assets recognized pursuant to service concession arrangement</p> <p>Refer note 5 to the consolidated financial statements.</p> <p>As at 31 March 2023, the carrying amount of intangible assets of the Group is ₹ 19,353.89 millions relating to licenses to collect toll from road</p>	<p>Our key procedures included, but were not limited to, the following:</p> <p>a) Obtained an understanding of the Group's policies and procedures to identify impairment indicators of intangible assets and for determining the fair valuation of intangible assets;</p>

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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>infrastructure projects as an infrastructure concession operator under service concession arrangements accounted for in accordance with Appendix D of Ind AS 115, Service Concession Arrangements.</p> <p>Management regularly reviews whether there are any indicators of impairment and where impairment indicators exist, the management estimates the recoverable amounts of these assets, basis value in use. The value in use of the underlying assets is determined based on the discounted cash flow projections which involves use of key assumptions such as discounting rate, expected change in traffic and toll rates. Such assumptions and estimates require significant management judgment due to high inherent estimation uncertainty.</p> <p>Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the future cash flow projections, we have determined this to be a key audit matter for the current year audit.</p>	<p>b) Evaluated the design of key controls implemented for identification of impairment indicators and fair valuation of intangible assets;</p> <p>c) Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the recoverable amount such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of management's experts involved in the process;</p> <p>d) Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs);</p> <p>e) Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts;</p> <p>f) Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved;</p> <p>g) Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and</p> <p>h) Evaluated the appropriateness of disclosures made in the consolidated financial statements in relation to impairment of licenses to collect toll under service concession arrangements in accordance with requirements of the applicable accounting standards.</p>

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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>C. Computation and disclosures relating to Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Returns at Fair Value as per SEBI regulations ("the statement")</p> <p>Refer the Statement disclosed in the accompanying consolidated financial statements pursuant to SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust.</p> <p>For the above purpose, fair value is determined by the management using discounted cash flow ('DCF') valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions.</p> <p>Considering the importance of the disclosure required under the SEBI Regulations to the users of the consolidated financial statements, significant management judgement involved in determining the fair value of the assets of the Group, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.</p>	<p>Our key procedures included, but were not limited to, the following:</p> <ol style="list-style-type: none"> Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI circulars, pursuant to which the Statements are prepared by the Investment Manager; Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, experience, independence and competency of the management's experts involved in the process; Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs). Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and

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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>D. Measurement of operation and maintenance and major maintenance expenses</p> <p>Refer note 2B(iii) of significant accounting policies and note 19 and 25 to the consolidated financial statements.</p> <p>The Group is obligated to carry out operation and maintenance and major maintenance expenditure ("O&M and MM expenses") of the toll roads on periodic basis in accordance with service concession agreements with National Highway Authority of India ('NHAI') / Public Works Department ('PWD')/ Madhya Pradesh Road Development Corporation ('MPRDC'), as applicable.</p> <p>Measurement of major maintenance obligation is a key accounting estimate under both intangible assets model where the Group has a contractual right to charge users of the public service and financial asset model where the Group has a contractual right to receive cash from NHAI. Further, operation and maintenance cost is also a key accounting estimate with respect to financial assets model accounting.</p> <p>The measurement of O&M and MM expenses obligations require detailed workings and includes management estimates of items of cost required for repair and maintenance including but not limited to quantity and cost of building material, labour and other expenses, etc, and the timing of such repairs needed which is dependent upon future usage of the assets. The Group reviews such estimated O&M and MM expense obligations on an annual basis.</p> <p>Considering the high inherent estimation uncertainty in measurement of O&M and MM expense obligations and amounts involved, we have considered this matter as a Key audit matter in the current year audit.</p>	<p>h) Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.</p> <p>Our audit procedures included, but were not limited to, the following:</p> <p>a) Obtained an understanding of the process associated with the estimation of O&M and MM expenses;</p> <p>b) Verified the Group's obligations for such O&M and MM expenses as per terms of service concession agreements;</p> <p>c) Assessed the management's significant judgements / estimates used in evaluation of inputs for the purpose of measurement of O&M and MM expense obligations under financial assets model and/ or intangible assets model as applicable;</p> <p>d) Evaluated the workings, methodology and key assumptions adopted by the management in estimating such O&M and MM expenses in future, including projections of future use of assets, by reviewing terms of the service concession agreements, inputs from management's inhouse technical team, Group's actual cost experience and considering historical accuracy of such assumptions;</p> <p>e) Analysed changes in the estimates of O&M and MM expenses from prior periods and assessed the consistency of these changes with progress of the projects, if any, during the year; and</p> <p>f) Tested the arithmetic accuracy and evaluated the appropriateness of disclosures made in the consolidated financial statements for compliance with applicable accounting standard.</p>

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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

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

6. The Board of Directors of Investment Manager are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

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

7. The accompanying consolidated financial statements have been approved by the Board of Directors of the Investment Manager of the Trust. The Investment Manager is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in unit holders' equity, consolidated cash flows, consolidated net assets at fair value, consolidated total returns at fair value and consolidated net distributable cash flows of the Group in accordance with the accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Circulars. The respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Investment Manager of the Trust, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the entities included in the Group.

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

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

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Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager;
 - Conclude on the appropriateness of Board of Director of Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
15. We also performed procedures in accordance with Regulation 13(2)(e) of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended to the extent applicable.



Walker Chandio & Co LLP

independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Other Matters

16. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of ₹ 8,909.72 millions and net assets of ₹ 169.44 millions as at 31 March 2023, total revenues of ₹ 2,680.80 millions, and net cash outflows amounting to ₹ 38.64 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Investment Manager and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements of the Trust for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 included as comparative financial information in the accompanying consolidated financial statements have been certified by the Board of Directors of the Investment Manager of the Trust, but have not been subjected to either audit or review.

Report on Other Legal and Regulatory Requirements

18. Based on our audit and on the consideration of the reports of the other auditors referred to in paragraph 16 on separate financial statements of the subsidiaries and as required by the SEBI Regulations, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss (including Other comprehensive Income) are in agreement with the relevant books of account of the Trust; and
 - c) in our opinion, the aforesaid consolidated financial statements comply with Ind AS and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015; as amended

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYERT6831

Place: Mumbai

Date: 19 May 2023



Walker ChandioK & Co LLP

Independent Auditor's Report on even date to the unitholders of Highways Infrastructure Trust on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

Annexure 1

List of subsidiaries included in the Statement (in addition to Highways Infrastructure Trust)

- a. Nirmal BOT Limited
- b. Godhra Expressways Private Limited
- c. Ulundurpet Expressways Private Limited
- d. Jodhpur Pali Expressways Private Limited
- e. Dewas Bhopal Corridor Expressways Private Limited
- f. Shillong Expressway Private Limited



Highways Infrastructure Trust
Consolidated Balance Sheet as at 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	100.00	130.04
Capital work-in-progress	4	-	2.39
Intangible assets	5	19,353.89	20,246.56
Financial assets			
Other financial assets	6	541.71	1,387.67
Non-current tax assets (net)	7	83.57	89.40
Other non-current assets	8	6.26	0.28
Total non-current assets		20,085.43	21,856.34
Current assets			
Financial assets			
Investments	9	648.60	2,152.39
Trade receivables	10	0.16	37.30
Cash and cash equivalents	11	349.11	365.82
Bank balances other than cash and cash equivalents above	12	1,546.58	1,972.62
Other financial assets	13	631.38	936.82
Other current assets	14	55.23	72.90
Total current assets		3,231.06	5,537.85
Total assets		23,316.49	27,394.19
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	15	41,550.00	-
Other equity	16	(37,168.34)	388.86
Total equity		4,381.66	388.86
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	17	14,541.86	21,260.80
Other financial liabilities	18	1,556.83	1,276.93
Provisions	19	281.56	324.84
Deferred tax liabilities (net)	20	1,246.18	849.36
Total non-current liabilities		17,626.43	23,711.93
Current liabilities			
Financial liabilities			
Borrowings	21	225.00	2,007.63
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	10.18	18.66
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	377.53	302.14
Other financial liabilities	23	227.12	649.37
Other current liabilities	24	43.11	31.16
Provisions	25	425.46	280.15
Current tax liabilities (net)	26	-	4.29
Total current liabilities		1,308.40	3,293.40
Total liabilities		18,934.83	27,005.33
Total equity and liabilities		23,316.49	27,394.19

Significant accounting policies 2B
The accompanying notes form an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N5000013

Manish Agrawal

Manish Agrawal

Partner

Membership No.: 507000

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah

Kunjal Shah

Compliance officer

ACS No. A27382

Neeraj Sanghi

Neeraj Sanghi

Whole time director and CEO

DIN: 05110400

Narayanan Doraiswamy

Narayanan Doraiswamy

Chief Financial Officer

Place: Mumbai

Date: 19 May 2023



Place: Mumbai

Date: 19 May 2023



Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023

Highways Infrastructure Trust
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Income and gains			
Revenue from operations	27	6,152.35	1,876.03
Interest income from bank deposits		121.51	27.67
Profit on sale of assets/investments	27.1	126.04	30.35
Other income	28	31.17	46.04
Total income and gains		6,431.07	1,980.09
Expenses and losses			
Valuation expenses		2.40	0.85
Audit fees (statutory auditor of Trust)	31.1	17.38	-
Audit fees (auditor of subsidiaries)		5.64	5.21
Insurance expenses		45.66	8.47
Employee benefits expense	29	104.03	27.76
Project management fees	55	53.55	-
Investment manager fees	55	111.61	-
Management support services fee		247.43	51.24
Trustee fees		4.43	0.75
Depreciation on property, plant and equipment	3	26.96	6.03
Amortization of intangible assets	5	1,139.01	282.17
Finance costs			
- Interest on term loan and non convertible debentures		1,743.11	709.16
- Other finance costs	30	447.48	73.60
Rating fee		2.35	0.32
Operation and maintenance		433.39	139.29
Corporate social responsibility		15.16	1.74
Provision for major maintenance obligation		416.39	100.14
Operating expenses	31	365.44	46.69
Independent consultancy and project monitoring fees		69.28	18.11
Legal and professional		152.55	1.76
Other expenses	32	63.34	17.77
Total expenses and losses		5,466.59	1,491.06
Profit before tax for the year / period		964.48	489.03
Tax expense			
Current tax	34	225.67	81.95
Deferred tax	34	396.82	(41.30)
Total tax expense		622.49	40.65
Net Profit after tax for the year / period		341.99	448.38
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit obligations		0.90	(0.23)
Income tax relating to these items		-	-
Total other comprehensive income / (loss) for the year / period (net of tax)		0.90	(0.23)
Total comprehensive income for the year / period		342.89	448.15
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	35	0.82	*
Diluted (₹)	35	0.82	*

*refer note 35

Summary of significant accounting policies

2B

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

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Manish Agrawal
Partner

Membership No.: 507000

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Kunjal Shah
Compliance officer
ACS No. A27382

Neeraj Sanghi
Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Narayanan Doraiswamy
Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai

Date: 19 May 2023



Place: Mumbai

Date: 19 May 2023



Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023

Highways Infrastructure Trust
Consolidated Cash Flow Statement for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
A. Cash flows from operating activities		
Profit before tax	964.48	489.03
Adjustments for:		
Depreciation on property, plant and equipment	26.96	6.03
Amortization of intangible assets	1,139.01	282.17
Gain on sale of property, plant and equipment (net)	(0.02)	(0.65)
Gain on sale of investments (net)	(123.66)	(29.70)
(Gain)/loss on investments carried at fair value through profit or loss (net)	(2.36)	6.26
Excess provisions written back	(9.15)	(1.00)
Bad debts written off	9.34	-
Provision for major maintenance obligation	416.39	100.14
Interest income	(121.51)	(27.67)
Finance cost		
Interest on term loan and non convertible debentures	1,684.64	709.16
Unwinding finance cost on deferred payment to National Highway Authority of India (NHAI) for purchase of right to charge users of toll road	177.46	42.50
Unwinding of discount on provisions and financial liabilities carried at amortised cost	110.04	13.18
Unwinding of discount on provision for major maintenance	51.31	15.87
Finance and bank charges	162.08	2.05
Modification loss on financial liability	5.06	-
Modification loss / (gain) on annuity	298.58	(243.08)
Modification gain on financial liability	-	(26.03)
Operating profit before working capital changes and other adjustments	4,788.65	1,338.26
Working capital changes and other adjustments:		
Trade receivables	36.95	9.54
Other financial assets	621.00	916.58
Other assets	11.70	16.26
Trade payables	66.91	222.87
Provisions	(314.36)	(766.62)
Financial liabilities	72.32	37.62
Other liabilities	11.99	19.86
Cash flow from operating activities post working capital changes	5,295.16	1,794.36
Income tax paid (net of refund)	(267.30)	(96.93)
Net cash flow from operating activities (A)	5,027.86	1,697.43
B. Cash flows from investing activities		
Acquisition of property, plant and equipments	(13.34)	(55.65)
Proceeds from disposal of property plant and equipment	18.83	8.55
Investment in compulsorily convertible debentures ('CCD's)	(3,060.00)	-
Investment in bank deposits	-	(800.99)
Investment in preference shares	(545.10)	-
Proceeds from maturity of bank deposits	784.00	-
Purchase of current investments	-	(170.34)
Proceeds from maturity of current investments	1,629.82	-
Interest received on bank deposits and others	-	27.67
Net cash used in investing activities (B)	(1,185.79)	(990.76)
C. Cash flows from financing activities		
Proceeds from issuance of units	4,160.00	-
Repayment of current borrowings	(112.50)	(7,693.51)
Repayment of non-current borrowings	(14,300.60)	-
Proceeds from compulsorily convertible debentures	-	7,562.77
Proceeds from current borrowings	14,469.03	-
Formation and issue expenses	(111.58)	-
Processing fees	(118.90)	-
Finance costs paid	(1,814.23)	(724.39)
Distribution made to unit-holders	(6,030.00)	-
Net cash used in financing activities (C)	(3,858.78)	(855.13)



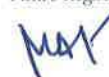
Highways Infrastructure Trust
Consolidated Cash Flow Statement for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
D Net decrease in cash and cash equivalent (A+B+C)	(16.71)	(148.46)
E Cash and cash equivalents acquired under business combinations (refer note 48)	-	514.28
F Cash and cash equivalent at the beginning of the year	365.82	-
Cash and cash equivalent at the end of the year / period (D+E+F) (refer note 11)	<u>349.11</u>	<u>365.82</u>

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

The accompanying notes form an integral part of the Consolidated financial statements.
This is the Consolidated Cash Flow Statement referred to in our report of even date.

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


Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023



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


Kunjal Shah
Compliance Officer
Membership No. A27382

Place: Mumbai
Date: 19 May 2023




Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Place: Mumbai
Date: 19 May 2023


Narayan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Highways Infrastructure Trust
Consolidated Statement of Changes in Unit Holders' Equity for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

A Unit capital *		Number of unit	Amount (in million)
Particulars			
Balance as at 03 December 2021		-	-
Units issued during the period		-	-
Balance as at 31 March 2022		415,500 (NW)	41,550.00
Units issued during the year		415,500,000	41,550.00
Balance as at 31 March 2023			

B Other equity**

Particulars	Units pending issuance	Equity component of loan to related parties	Reserves and surplus				Amalgamation adjustment deficit account	Total
			Securities premium reserve	Debt redemption reserve	Capital redemption reserve	Retained earnings		
Balance as at 03 December 2021	3,200.95	-	-	-	-	-	-	3,200.95
Net profit for the period	-	-	-	-	-	448.38	-	448.38
Other comprehensive income for the period	-	-	-	-	-	(0.23)	-	(0.23)
Reversal of defined benefit obligations (net of tax)	-	-	-	-	-	448.15	-	3,649.10
Total comprehensive income for the period	3,200.95	-	-	-	-	-	-	(3,260.24)
Acquisition under common control business combinations (refer note 48)	-	384.95	2,874.88	174.91	2.83	(6,097.81)	-	385.86
Balance as at 31 March 2022	3,200.95	384.95	2,874.88	174.91	2.83	(6,299.66)	-	341.99
Net profit for the year	-	-	-	-	-	341.99	-	0.90
Other comprehensive income for the year	-	-	-	-	-	(0.90)	-	342.89
Reversal of defined benefit obligations (net of tax)	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Transfer from units pending issuance to acquisition adjustment account pursuant to common control business combinations (refer note 48)	(3,200.95)	-	-	-	-	-	3,200.95	-
Amount paid to sponsor pursuant to business combinations (refer note 48(c))	-	-	-	-	-	-	(31,715.33)	(31,715.33)
Formation and issue expenses**	-	-	-	-	-	(111.58)	-	(111.58)
Transfer from security premium to retained earnings pursuant to capital reduction in DBCP (refer note 54)	-	-	(600.19)	-	-	600.09	-	-
Transaction cost relating to buy back of preference shares of SEPL	-	-	-	-	-	(43.18)	-	(43.18)
Transfer from debt redemption reserve in NBI and DBCP	-	-	-	(174.91)	-	174.91	-	(6,030.00)
Distributions to unit holders ^	-	-	-	-	-	(6,030.00)	-	-
Balance as at 31 March 2023	-	384.95	2,274.79	-	2.83	(11,316.54)	(25,514.38)	(37,168.54)

* Pertains to the distribution made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distribution made by Trust to its unitholders are based on Net Distributable Cash Flows (NDCHF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

** Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust.

^ refer note 15.

** refer note 16.

The accompanying notes form an integral part of the Consolidated financial statements.

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

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No. 001062/S/200003

Manish Agrawal
Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023

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

Kamjal Shah
Compliance Officer
ACS No. A27382

Neeraj Sanghi
Whole time director and CEO
DIN: 65110400

Narayanan Boraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023

Place: Mumbai
Date: 19 May 2023

Place: Mumbai
Date: 19 May 2023



Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

A. Consolidated Statement of net assets at fair value

Particulars	As at 31 March 2023		As at 31 March 2022	
	Book value	Fair value #	Book value	Fair value #
A. Assets	23,316.49	57,872.75	27,394.19	53,889.16
B. Liabilities (at book value)	18,934.83	18,934.83	27,005.33	27,005.33
C. Net assets (A-B)	4,381.66	38,937.92	388.86	26,883.83
D. No of units (in millions)	415.50	415.50	*	*
E. NAV (C/D)	10.55	93.71	*	*

* In the previous year ended 31 March 2022, the number of units were not ascertainable considering the Trust was in the process of issuing its units in connection with private placement. Accordingly, disclosure in respect of Net Asset Value ("NAV") per unit has not been given for the previous year.

Fair values of total assets relating to the Trust as at 31 March 2023 and 31 March 2022 as disclosed above are primarily based on the fair valuation report of the independent valuer appointed by the Trust.

Project wise break up of fair value of assets as at 31 March 2023:

Projects	Fair value** As at 31 March 2023	Fair value** As at 31 March 2022
Highways Infrastructure Trust	1,039.02	-
Shillong Expressways Private Limited (SEPL)##	516.26	1,519.49
Uttarpradesh Expressways Private Limited (UEPL)##	5,491.57	7,009.33
Dewas Bhopal Corridor Private Limited (DBCP)##	15,564.28	16,194.45
Godhra Expressways Private Limited (GEPL)##	25,630.72	19,579.95
Nirmal BOT Limited (NBL)##	1,136.37	1,951.16
Jodhpur Pali Expressways Private Limited (JPPL)##	8,494.53	7,634.78
Total Assets	57,872.75	53,889.16

** Fair values of assets as disclosed above are the fair values of the total assets of the Group which are included in the Consolidated Financial Statements.

The Trust has acquired these projects with effect from 23 August 2022. (refer note 48)

B. Statement of consolidated total return at fair value:

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Total comprehensive income for the year/period (As per the Consolidated Statement of Profit and Loss)	342.89	448.15
Add: Other changes in fair value for the year (refer note 1 and 2)	3,983.59	(534.89)
Total return	4,326.48	(86.74)

Note 1:

In the above statement, other changes in fair value for the financial year ended 31 March 2023 has been computed based on the difference in fair values of total assets as at 31 March 2023 and as at 31 March 2022 which is based solely on the valuation report of the independent valuer appointed by the Trust.

Note 2:

In the above statement, other changes in fair value for the financial year ended 31 March 2022 has been computed based on the difference in fair values of total assets as at 03 December 2021 (certified by investment manager of Trust and are not subject to audit or review) and as at 31 March 2022 (based solely on the valuation report of the independent valuer appointed by the Trust).

The accompanying notes form an integral part of the Consolidated financial statements.

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

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah
Compliance Officer
ACS No. A27382

Neeraj Sanghi
Whole time director and CEO

Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023



Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Statement of Net Distributable Cash Flows for the year ended 31 March 2023

(i) Highways Infrastructure Trust

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Net Distributable Cash Flows of the Project Entities		
	a) in the form of interest / accrued interest / additional interest	2,078.10	-
	b) in the form of dividend	1,893.32	-
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	3,264.77	-
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	294.45	-
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	18,629.03	-
3	Any other income accruing at the Highways Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Highways Trust	42.75	-
	Total cash inflow at the InvIT level (A)	26,202.42	
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(889.75)	-
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(116.10)	-
6	Income tax (if applicable) for standalone Highways Trust and / or payment of other statutory dues	(18.27)	-
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	-
8	Net cash set aside to comply with borrowing requirements such as DSR/A, minimum cash balance, etc.	(976.43)	-
9	Amount invested in any of the Project SPVs for service of debt or interest	(17,211.84)	-
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	(146.33)	-
	Total adjustments at the Trust level (B)	(19,471.22)	
	Net Distributable cash flows (C)=(A+B)	6,731.20	

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(ii) Dewas Bhopal Corridor Private Limited ("DBCPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Profit after tax as per Statement of Profit and Loss (A)	1,020.54	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	203.45	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	173.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to • any decrease in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc. • any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	0.05 (177.84) 42.22	- - -
5	Decrease in working capital	(15.74)	-
6	Gain on sale of investments	(45.53)	-
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	2,814.94	-
8	Capital expenditure, if any	(1.25)	-
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(2,853.41)	-
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	944.47	-
	Total adjustments at the Trust level (B)	1,084.78	-
	Net Distributable cash flows (C)=(A+B)	2,105.32	-

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(iii) Nirmal BOT Limited

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Loss after tax as per Statement of Profit and Loss (A)	(243.95)	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	126.47	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account	1.97	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc.	(0.92)	-
5	Decrease in working capital	(11.75)	-
6	Gain on sale of investments	(18.92)	-
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	(5.22)	-
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	389.41	-
9	Capital expenditure, if any	1,158.30	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(0.51)	-
11	Payment of any other liabilities (not covered under working capital)	(1,249.10)	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	(5.18)	-
		518.45	-
	Total adjustments at the Trust level (B)	903.00	-
	Net Distributable cash flows (C) = (A+B)	659.05	-

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(iv) Jodhpur Pali Expressway Private Limited

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Loss after tax as per Statement of Profit and Loss (A)	(527.30)	-
2	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	479.63	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account.	65.45	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to		
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.87	-
	• deferred tax, lease rents, provisions, etc.	103.67	-
	• any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	81.48	-
5	Decrease in working capital	(184.18)	-
6	Gain on sale of investments	(8.19)	-
7	Capital expenditure, if any	(7.70)	-
8	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(1,254.35)	-
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations.	1,506.19	-
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	120.01	-
	Total adjustments at the Trust level (B)	902.87	-
	Net Distributable cash flows (C)=(A+B)	375.58	-

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Loss after tax as per Statement of Profit and Loss (A)	(630.19)	-
Adjustments:			
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	998.96	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account	113.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc.	0.39	-
	• any other items charged / credited to the profit and loss account which do not involve corresponding cash flows	429.25	-
5	Decrease in working capital	177.42	-
6	Gain on sale of investments	(19.96)	-
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	(28.02)	-
		4,059.40	-
8	Capital expenditure, if any	(122.55)	-
9	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(4,100.76)	-
10	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	850.64	-
Total adjustments at the Trust level (B)		2,358.19	-
Net Distributable cash flows (C)=(A+B)		1,728.00	-

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Loss after tax as per Statement of Profit and Loss (A)	(9.33)	-
	Adjustments:		
2	Interest (including interest on unpaid interest), if any, on loans availed from / debentures issued to Highways Trust as per profit and loss account	218.10	-
3	Depreciation, impairment (in case of impairment reversal, same will be deducted) and amortisation as per profit and loss account	811.42	-
4	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc. • any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	0.09	-
5	Increase in working capital	43.35	-
6	Gain on sale of investments	(39.65)	-
7	Net proceeds (after applicable taxes) from sale of assets / investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently	17.43	-
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI InvIT Regulations	2,699.29	-
9	Capital expenditure, if any	(1.83)	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(2,840.24)	-
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	1,046.15	-
	Total adjustments at the Trust level (B)	2,275.03	-
	Net Distributable cash flows (C)=(A+B)	2,265.70	-

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

(vi) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Loss after tax as per Statement of Profit and Loss (A)	(82.03)	-
2	Adjustments:		
2	Depreciation, impairment (in case of unpayment reversal, same will be deducted) and amortisation as per profit and loss account	0.29	-
3	Any other item of non-cash expense / non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc. • any other items charged / credited to the Profit and loss account which do not involve corresponding cash flows	0.12	-
4	Decrease in working capital	(47.21)	-
5	Gain on sale of investments	26.66	-
6	Decrease in working capital	(36.92)	-
7	Gain on sale of investments	(9.11)	-
8	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	497.40	-
9	Capital expenditure, if any	(0.06)	-
10	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(702.33)	-
11	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI InvIT Regulations	750.16	-
	Total adjustments at the Trust level (B)	479.01	-
	Net Distributable cash flows (C)=(A+B)	396.98	-

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

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

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No: 001076N/N500013

Manish Agrawal

Manish Agrawal

Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Kunjal Shah

Kunjal Shah

Compliance officer

Membership No: A27382

Neeraj Sanghi

Neeraj Sanghi

Whole Time Director and CEO

UDIN:05110400

Narayan Doraiswamy

Narayan Doraiswamy

Chief Financial Officer

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. Group Information

The consolidated financial statements comprise financial statements of Highways Infrastructure Trust ("the Trust") and its subsidiaries (collectively, the Group) for the year ended 31 March 2023. The Trust is an irrevocable trust settled by Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations. The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager Private Limited till 22 November 2023 and with effect from 23 November 2023 the same is Highway Concessions One Private Limited (the "Investment Manager")

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

During the current year ended 31 March 2023, the Trust acquired 100% equity control in following Project SPVs from the Sponsor w.e.f. 23 August 2022. The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at 31 March 2023	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal Bot Limited ("NBL")	100%	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is Unit no.316-317,3rd Floor, C Wing, Kanakia Zillion BKC Annex, Kurla West, Mumbai, MH -400070. The consolidated financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 19 May 2023.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

2A. Standards issued but not yet effective

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information. The Trust is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques. The Trust is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities. The Trust is evaluating the requirement of the said amendment and its impact on these consolidated financial statements.

2B. Summary of significant accounting policies

a) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

i) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars').

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

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



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The Consolidated Financial Statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on 19 May 2023. The revision to the consolidated financial statements is permitted by the Board of Directors of Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013 ('the Act').

ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2023. Control is achieved when the Group has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ("OCI")) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

iii) Use of estimates and judgements

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

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

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

- **Revenue recognition - Applicability of service concession agreement accounting**

Appendix C "Service concession arrangements" applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

More specifically, it applies to public to private service concession arrangement if the grantor:

- Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
- Controls through ownership or otherwise –any significant residual interest in the infrastructure at the end of the term of the arrangement.

The subsidiary – Shillong Expressway Private Limited ("SEPL") and Nirmal Bot Limited ("NBL") have the right to receive fixed annuity payments from NHAI during the concession period and have adopted 'Financial Asset Model'.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Accounting under "Financial Asset Model" involves extensive use of estimates. The Group has allocated the contract revenues into distinct individual performance obligations i.e. Construction, operation and maintenance based on their relative stand-alone selling prices which are derived by as per amount estimated by the Management of Subsidiary on actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a "Financial asset" at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

- **Provisions and liabilities**

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

- **Provision for major maintenance obligation**

The operating and maintenance cost includes routine, periodic/major maintenance, manpower costs and operational expenses, including, but not limited to, road and site work expenses, employee benefit expenses and other operating and maintenance costs. The provision for potential periodic / major maintenance cost is created based on the estimates provided by the management and the same is adjusted for actual expenditures in the year of occurrence.

- **Useful lives of depreciable/amortizable assets**

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

- **Defined benefit obligations (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Evaluation of indicators for impairment of assets**

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

- **Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

- **Recoverability of advances / receivables**

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

- **Contingent liabilities**

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

- **Fair value measurements**

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



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

- **Impairment of annuity and intangible assets**

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the annuity and intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of SPVs.

- **Income taxes**

The Groups tax jurisdiction is in India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

- **Fair valuation and disclosures**

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

b) Business combination (refer note 48)

During the current year ended 31 March 2023, the Trust acquired the SPVs pursuant to common control method of business combination. Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to Amalgamation Adjustment Deficit Account.

c) Basis of classification as current and non-current

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

An asset is current when it is:

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

All other assets have been classified as non-current.

A liability is current when:

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



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The Group classifies all other liabilities as non-current.

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

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

d) Revenue recognition

Effective 01 April 2018, the Project SPV Group adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the Project SPV Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

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

Toll Collections

Toll collections from the users of the infrastructure facility constructed by the Group under the Service Concession Arrangement is accounted for based on actual collection. Revenue from electronic toll collection is recognized on accrual basis.

Claims with National Highways Authority of India ('NHAI')

Claims with National Highways Authority of India ('NHAI') and other Government Authorities are accounted as revenue as and when it becomes probable that such claims will be received and which can be measured reliably.

Contract revenue (Construction contracts)

Contract revenue associated with the construction of road is recognized at cost of work performed on the contract plus proportionate margin, where required, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the statement of profit or loss in the period in which the change is made and in subsequent periods.

Contract cost include costs that relate directly to the specific contract and allocated cost that are attributable to the Construction of the road.

Rendering of services

Revenue from major maintenance obligation and regular operation and maintenance is measured using the percentage of completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognized net of taxes.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

e) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Group and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and recognize when the Group will pay normal income tax during the specified period. Minimum alternate tax ("MAT") credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

f) Property, plant and equipment (PPE)

Property, plant and equipment and capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation on PPE held by UEPL, SEPL, JPEPL, GEPL and NBL is calculated on a straight-line basis over the estimated useful lives of the respective assets as prescribed in the Schedule II of the Act

Depreciation on PPE held by DBCPL is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013 ("the Act").

The Group has estimated the following useful lives for its tangible fixed assets:

Assets class	Useful life
Building	25 years
Plant and equipment	7 year - 15 years
Furniture & fixtures	8 year - 10 years
Vehicles	8 year - 10 years
Office equipments	3 year - 10 years
Computers	3 year - 5 years

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from the date on which asset is ready for use and up to the date on which the asset is disposed of/fully depreciated.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Intangible assets

On transition to Ind AS, the Project SPV Group exercised first time adoption under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the Special Purpose Combined Financial Statements as at the date of transition (i.e. 01 April 2015 for all SPVs other than DBCPL and 01 April 2018 for DBCPL) measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

Accounting of intangible assets under Service Concession agreement

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project undertaken by the Group. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India authorities, if any. Till the



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

completion of the project, the same is recognized under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets. Intangible assets that not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development."

Other intangible assets

Other intangible assets comprise of cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are derecognized when no future economic benefits are expected from use or disposal.

Amortization of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortization is provided based on proportion of actual revenue to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Toll collection rights in respect of road projects commissioned after 1 April 2016 are amortized over the useful economic life using the straight-line method. The amortization period and the amortization method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense is recognised in the statement of profit and loss.

Specialized software held by the Group is amortized over a period of six years on straight line basis from the month in which the addition is made.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

h) Financial asset under Service Concession Agreement

Under the arrangement, the SPV recognizes a financial asset arising from service concession agreement as it has an unconditional right to receive cash from grantor (NHAI/State authorities) for the construction service, major maintenance obligations and regular operation and maintenance services over the concession period. Such financial asset is measured at fair value on initial recognition and classified under the head "Other Financial Assets". Subsequent to initial recognition, the financial asset is measured at amortized cost. Under this model, the financial asset will be reduced as and when grant is received from Grantor (NHAI/State authorities).

As per the salient feature of the arrangement, the operator has a two-fold activity based on which revenue is recognized in the financial statements in line with the requirement of Appendix C of Ind AS 115. The activities are given below:

- a construction activity in respect of its obligation to design, build, finance an asset that it makes available to the Grantor (NHAI)
- b. Revenue from major maintenance obligation and operation and maintenance activity in respect of the assets during the concession period in accordance with Ind AS 115.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

i) Lease

Where the Group is the lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration'. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of use asset and a lease liability. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate.

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

The liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Contingent rents are recognized as revenue in the period in which they are earned.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease.

j) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized.

l) Cash support (grant) from grantor

Grant received are considered as a part of total outlay of the construction project. The same shall be recognised when the Group complies with the conditions attaching to collection of grant considered as a financial asset and it shall be simultaneously reduced from the cost of acquisition of the intangible asset and are recognised.

m) Financial Instruments

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price

Subsequent measurement

i. **Financial assets at amortised cost-** A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. **Financial assets at fair value**

- Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 40 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

External valuers are involved for valuation of significant assets such as annuity and intangible assets, where required. Involvement of external valuers is decided by the Group on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Group after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 40)
- Investment in quoted mutual fund (note 9)
- Financial instruments (including those carried at amortized cost) (note 41).

o) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables:

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

p) Segment reporting

The Group is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Group's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

q) Employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

The Group makes contribution towards employee state insurance scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948. The contributions deposited with authorities are recognized as an expense during the year.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

r) Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

t) Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

u) Classification of Unitholders' fund

Under the provisions of the SEBI Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Circulars (No. CIR/IMD/DF/1 14/2016 dated 20 October 2016 and No. CIR/IMDDF/127/2016 dated 29 November 2016) issued under the SEBI Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

v) Cash flow statement

Cash flows are reported using indirect method, whereby net profits / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

w) Distribution to unit holders

The Group recognizes a liability to make cash distributions to unit holders when the distribution is authorized and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorized when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognized directly in equity.

x) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

3. Property, plant and equipment (PPE)

Property, plant and equipment

	As at 31 March 2023	As at 31 March 2022
	100.00	130.04
	100.00	130.04

The changes in the carrying value of property, plant and equipment for the year / period ended 31 March 2023 and 31 March 2022 are as follows :

Description	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block								
Balance as at 03 December 2021	4.37	13.11	58.77	7.99	31.47	29.44	12.42	157.57
Acquisition under common control business combinations (refer note 48)	-	-	-	-	-	-	-	-
Additions for the period	-	1.85	8.59	0.59	-	27.58	1.65	40.28
Transfer from capital work-in-progress for the period	-	-	15.37	-	-	-	-	15.37
Disposals/adjustments for the period	-	-	9.40	(0.03)	(0.02)	(0.55)	(0.24)	8.55
Balance as at 31 March 2022	4.37	14.97	92.13	8.55	31.44	56.46	13.85	221.77
Additions for the year	-	4.32	5.02	0.21	0.48	1.93	1.37	13.34
Transfer from capital work-in-progress during the year	-	2.39	-	-	-	-	-	2.39
Disposals/adjustments for the year	-	(0.19)	(3.07)	(1.04)	(2.43)	(21.75)	(0.08)	(28.56)
Balance as at 31 March 2023	4.37	21.49	94.08	7.72	29.50	36.65	15.13	208.93
Accumulated depreciation								
Balance as at 03 December 2021	-	-	-	-	-	-	-	-
Acquisition under common control business combinations (refer note 48)	-	2.02	38.91	3.40	16.41	16.82	8.76	86.31
Charge for the period	-	0.20	2.30	0.15	1.05	1.68	0.65	6.03
Disposals/adjustments for the period	-	-	-	(0.03)	-	(0.37)	(0.21)	(0.61)
Balance as at 31 March 2022	-	2.22	41.22	3.51	17.46	18.13	9.19	91.73
Charge for the year	-	0.88	14.43	0.46	3.12	5.86	2.22	26.96
Disposals/adjustments for the year	-	(0.09)	(2.18)	(0.94)	(2.31)	(4.15)	(0.08)	(9.75)
Balance as at 31 March 2023	-	3.01	53.46	3.02	18.27	19.84	11.33	108.93
Net block at date of acquisition	4.37	11.09	19.86	4.59	15.06	12.62	3.66	71.26
Net block as at 31 March 2022	4.37	12.75	50.92	5.04	13.99	38.33	4.65	130.04
Net block as at 31 March 2023	4.37	18.48	40.62	4.69	11.23	16.81	3.81	100.00

Notes:

- (i) Contractual obligations :
Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

- (ii) For assets pledged as security, refer note 33.

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

4. Capital work-in-progress

Capital work in progress

	As at 31 March 2023	As at 31 March 2022
	-	2.39
	-	2.39

The changes in the carrying value of capital work-in-progress for year/period ended 31 March 2023 and 31 March 2022 are as follows:

Particulars	Amount
Balance as at 03 December 2021	-
Acquisition under common control business combinations (refer note 48)	15.37
Add: Additions for the period	2.39
Less: transfer to property, plant and equipment for the period (refer note 3)	(15.37)
Capital work-in-progress as at 31 March 2022	2.39
Add: additions during the year	-
Less: transfer to property, plant and equipment during the year (refer note 3)	(2.39)
Capital work-in-progress as at 31 March 2023	-

Ageing schedule of capital work-in-progress

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2.39	-	-	-	2.39

Note:

(i) Contractual obligations :

Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 33.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

5. Intangible assets

Intangible assets

As at 31 March 2023	As at 31 March 2022
19,353.89	20,246.56
19,353.89	20,246.56

The changes in the carrying value of intangible assets for the year/period ended 31 March 2023 and 31 March 2022 are as follows:

Description	Toll collection rights	Software	Total intangible assets
Gross block			
Balance as at 03 December 2021	-	-	-
Acquisition under common control business combinations (refer note 48)	28,712.09	13.68	28,725.77
Additions for the period	-	-	-
Disposals/adjustments for the period	-	-	-
Balance as at 31 March 2022	28,712.09	13.68	28,725.77
Additions for the year	246.37	-	246.37
Disposals/adjustments for the year	-	(0.02)	(0.02)
Balance as at 31 March 2023	28,958.46	13.66	28,972.12
Accumulated amortisation			
Balance as at 03 December 2021	-	-	-
Acquisition under common control business combinations (refer note 48)	8,191.35	5.70	8,197.06
Charge for the period	281.75	0.42	282.17
Balance as at 31 March 2022	8,473.10	6.13	8,479.22
Charge for the year	1,137.61	1.40	1,139.01
Balance as at 31 March 2023	9,610.71	7.53	9,618.22
Net block at date of acquisition	20,520.73	7.98	20,528.70
Net block as at 31 March 2022	20,239.00	7.55	20,246.56
Net block as at 31 March 2023	19,347.75	6.14	19,353.89

Notes:

(i) Contractual obligations:

Refer note 37 for disclosure of capital and other commitments for the acquisition of intangible assets.

(ii) For assets pledged as security, refer note 33.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

As at
31 March 2023

As at
31 March 2022

6 Others non-current financial assets

(Unsecured, considered good)

Security deposits
Receivables under service concession arrangements (refer note 6 (ii) below)
Bank deposits with more than 12 months maturity*

5.14	4.79
536.57	1,024.92
-	357.96
<u>541.71</u>	<u>1,387.67</u>

*includes interest accrued but not due

Notes:

(i) Movement in receivables under service concession arrangements during the financial year :

Opening balance
Acquisition under common control business combinations (refer note 48)
Add: Interest income on annuity receivable from National Highway Authority of India (NHAI) (refer note 27)
Add: Revenue from operations and maintenance of road (refer note 27)
Less: Modification (loss) / gain on annuity
Less: Annuity received from NHAI
Closing balance

1,944.23	-
-	1,832.94
183.75	55.54
280.23	61.37
(298.58)	243.08
(973.37)	(248.70)
<u>1,136.26</u>	<u>1,944.23</u>

(ii) Movement in receivables under service concession arrangements during the financial year :

- Non-current (refer note 6)
- Current (refer note (refer note 13))

536.57	1,024.92
599.69	919.31
<u>1,136.26</u>	<u>1,944.23</u>

(iii) Refer note 40 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and refer note 41 - Financial risk management for assessment of expected credit losses.

(iv) For assets pledged as security, refer note 33.

7 Non-current tax assets (net)

Advance income tax (net of provisions)

83.57	89.40
<u>83.57</u>	<u>89.40</u>

8 Other non-current assets

(Unsecured, considered good)

Other- fair value of plan assets
Balances with statutory authorities*

1.08	0.28
5.18	-
<u>6.26</u>	<u>0.28</u>

*includes deposit paid under protest with statutory authority

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
9 Investments		
Current		
Investment in mutual funds - quoted (fully paid)^	648.60	2,152.39
	<u>648.60</u>	<u>2,152.39</u>
Notes:		
Aggregate amount of quoted investments- at market value	648.60	2,152.39
Aggregate amount of quoted investments- at cost	651.64	2,102.25

For assets pledged as security, refer note 33.

^ These are measured at fair value through profit and loss (FVTPL)

* Amount of ₹ 6.4 million and ₹ 2.5 millions invested in mutual fund on 28 March 2023 and 29 March 2023 respectively, however units were allotted on 02 April 2023.

(a) Details of investment in mutual funds- quoted (fully paid)		
IDFC Overnight Fund Direct Plan - Growth- 52,739.30 units as at 31 March 2023 (31 March 2022: 1,898,422.00 units)	63.06	2,152.39
Bandhan Overnight Fund Direct Plan-Growth- 489,735.11 units as at 31 March 2023 (31 March 2022: Nil) (erstwhile IDFC Overnight Fund Direct Plan Growth)	585.54	

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

As at
31 March 2023

As at
31 March 2022

10 Trade receivables

Trade receivables considered good- unsecured

Total

0.16

37.30

0.16

37.30

Notes:

- (i) For assets pledged as security, refer note 33
- (ii) Refer note 41 - Financial risk management for assessment of expected credit losses
- (iii) The carrying value are considered to be a reasonable approximation of fair value

Ageing Schedule of Trade receivable

As at 31 March 2023

Particulars	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	0.16	-	-	-	0.16
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-
Total	0.16	-	-	-	0.16

As at 31 March 2022

Particulars	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	9.80	4.66	-	22.84	37.30
Undisputed trade receivables – considered doubtful	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-
Total	9.80	4.66	-	22.84	37.30

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
11 Cash and cash equivalents		
Balances with banks:		
- in current accounts	63.01	52.89
- deposits with original maturity less than three months*	282.35	308.92
Cash on hand	3.75	4.01
	349.11	365.82
* Includes interest accrued but not due		
Notes:		
(i) For assets pledged as security, refer note 33.		
(ii) Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting year.		
12 Bank balances other than cash and cash equivalents above		
Fixed deposit with bank		
Deposits with original maturity more than three months but less than twelve months*##	1,546.58	1,972.62
	1,546.58	1,972.62
* Includes interest accrued but not due		
## Includes deposits pledged against Major maintenance reserve (MMR) and debt service reserve account (DSRA)		
Notes:		
(i) For assets pledged as security, refer note 33.		
(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the respective reporting periods.		
13 Others current financial assets		
(Unsecured, Considered good unless otherwise stated)		
Receivables under service concession arrangements (refer note 6 (ii) above)	599.69	919.31
Other receivables	31.69	17.51
	631.38	936.82
14 Other current assets		
(Unsecured, considered good)		
Supplier advances	4.31	1.80
Balances with statutory authorities	14.39	22.46
Other- fair value of plan assets	0.29	0.33
Prepaid expenses	36.24	48.09
Other receivables	-	0.22
	55.23	72.90

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As at
31 March 2023

As at
31 March 2022

15 Equity

a) Unit capital

415,500,000 (31 March 2022: Nil) of ₹100 each

41,550.00

41,550.00

(i) Terms/rights attached to unit capital:

Subject to the provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) (SEBI Regulations), the indenture of fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust")

b) Right to receive income or distributions with respect to the units held.

c) Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.

d) Right to vote upon any matter/resolutions proposed in relation to the unitholders

e) Right to receive periodic information-the Investment Manager, on behalf of the Highways Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the SEBI Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the SEBI Regulations and such other requirements as may be specified by SEBI.

f) Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations

g) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholder.

h) No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

i) In terms of the SEBI Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholder. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Infrastructure Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement;

(ii) Reconciliation of units outstanding at the beginning and at the end of the year:

Unit capital of ₹ 100 each fully paid up
Balance at the beginning of the year /period
Add: units issued during the year /period
Balance at the end of the year

As on 31 March 2023		As on 31 March 2022	
No. of unit	(₹ in million)	No. of units	(₹ in million)
-	-	-	-
415,500,000	41,550.00	-	-
415,500,000	41,550.00	-	-

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date:

Galaxy Investments II Pte. Ltd.
2452991 Ontario Limited

As on 31 March 2023		As on 31 March 2022	
No. of units	% of holding	No. of units	% of holding
373,900,000	89.99%	-	-
31,200,000	7.51%	-	-

(iv) There were no units issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or bought back since the date of incorporation.

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
16 Other equity		
Units pending issuance	-	3,200.95
Equity component of loan to related parties	384.95	384.95
Securities premium reserve	2,274.79	2,874.88
Debt redemption reserve	-	174.91
Capital redemption reserve	2.83	2.83
Retained earnings	(11,316.53)	(6,249.66)
Amalgamation adjustment deficit account	(28,514.38)	-
	(37,168.34)	388.86

Description of nature and purpose of each reserve:

Units pending issuance

Units pending issuance represents net assets acquired assuming common control is established from the date of earlier acquisition of the SPVs by the Sponsor i.e. 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GIEPL" and "UEPL" and 13 January 2022 for "SEPL". Subsequently, "Units pending issuance" credited as at 31 March 2022 have been further adjusted against difference of net assets and purchase consideration calculated as at 23 August 2022 i.e. when Trust acquired the SPVs.

Equity component of loan

This includes the equity component of the long term loan taken from GMR Highway Limited and India Infrastructure Fund (erstwhile promoter of UEPL). In earlier year, the equity component represents the interest-free feature of the loan. The liability component is reflected in non-current borrowings. (refer note 17)

Security premium reserve

Securities premium reserve represents premium received on issue of shares. These reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Debt redemption reserve

Debt redemption reserve is created out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Capital redemption reserve

Capital redemption reserve has been created as a result of transfer of the nominal value of shares upon buyback of shares, in accordance with Section 69 of the Companies Act, 2013.

Amalgamation adjustment deficit account

Amalgamation adjustment deficit account has been created as a result of Excess of purchase consideration paid over net assets of project SPVs acquired on 23 August 2022. Refer note 48

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

	As at 31 March 2023	As at 31 March 2022
17 Non current borrowings*		
Secured		
Rupce term loan from banks	7,673.13	1,720.97
Term loan from financial institutions	-	2,753.37
Non-convertible debentures	6,351.05	8,337.70
Unsecured		
Loan from GMR Highways Limited	517.68	470.62
Compulsory convertible debentures (CCDs)	-	7,978.14
Total Non-current borrowings (excluding current maturities) (A)	14,541.86	21,260.80
Current maturities of long-term borrowings (refer note 21)		
- Unsecured liability component of compound financial instruments	-	519.08
- Rupce term loans from banks	160.00	324.21
- Term loans from financial institutions	-	422.72
- Non-convertible debentures	65.00	741.62
Total current borrowings (B)	225.00	2,007.63
Total borrowing (A+B)	14,766.86	23,268.43

* refer note 17(ii) for repayment terms and security details of the outstanding non-current borrowings (including current maturities)

*refer note 21 (i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

(i) Refer note 40- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 41-Financial risk management for assessment of expected credit losses

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
18 Other non-current financial liabilities		
Deferred payment liabilities payable to concession authorities for toll collection rights	1,556.83	1,276.93
	1,556.83	1,276.93
(i) Refer note 40- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 41-Financial risk management for assessment of expected credit losses		
19 Non-current provisions		
Provision for employee benefits		
Gratuity (refer note 39)	9.25	8.35
Compensated absence (refer note 39)	4.62	4.65
Other provisions		
Major maintenance obligation (refer note (i)(a) and (ii) below)	267.69	311.84
	281.56	324.84

Notes:

(i) Information about individual provisions and significant estimates

(a) Provision for major maintenance obligation

Each SPV of the Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to National Highways Authority of India (NHAI), Madhya Pradesh Road Development Corporation (MPRDC), Public Work Department (PWD) as per the maintenance standards prescribed in respective concession arrangements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurfacing of pavements, repair of structures and other equipments and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually. Considering that the expense to be incurred depends on various factors including the usage, wear and tear of the highway, bituminous overlay, etc, it is not possible to estimate the exact timing and the quantum of the cash flow. The management does not expect any re-imbursement towards the expenses to be incurred.

(b) For disclosures required related to provision for employee benefits, refer note 39 - Employee benefit obligations.

(ii) Movement in major maintenance obligation during the financial year :

- Non-current (refer note 19)	267.69	311.84
- Current (refer note 25)	424.24	279.05
Total provision	691.93	590.89

Particulars	Major maintenance obligation
Balance as at 03 December 2021	-
Acquisition under common control business combinations (refer note 48)	1,232.83
Additions during the period	100.14
Utilised during the period	(737.95)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate	15.87
Balance as at 31 March 2022	590.89
Additions during the year	416.39
Utilised during the year	(366.66)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate	51.31
Balance as at 31 March 2023	691.93

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in £ millions unless otherwise stated)

20 Deferred tax liabilities (net)*

Deferred tax liability arising on account of:

Timing difference on amortisation of intangible assets and depreciation of property plant and equipment

Adjustment on account of interest free loan and upfront fees on borrowings

Fair valuation of investments

Sub-Total (A)

Deferred tax asset arising on account of:

Provision for major maintenance obligation

Amount payable to Concession Authorities as per service concession agreement

Tax credit (minimum alternative tax)

Sub-Total (B)

Deferred tax liabilities (net) (A-B)

* refer note 33 for details with respect to deferred tax not recognized on unused tax losses and credits

As at 31 March 2023	As at 31 March 2022
2,270.69	1,632.90
0.17	2.34
2,270.86	1,637.31
417.52	66.53
607.16	287.52
1,024.68	433.90
787.95	787.95
1,246.18	849.36

20.1 Component wise movement of Deferred tax liabilities /(asset) for the year / period ended 31 March 2023 and 31 March 2022

Particulars	01 April 2022	Recognised in the Statement of Profit and Loss during the year	31 March 2023
Liabilities			
Timing difference on amortisation of intangible assets and depreciation of property, plant and equipment	1,632.90	637.79	2,270.69
Adjustment on account of interest free loan and upfront fees on borrowings	2.34	(2.34)	-
Fair valuation of investments	2.07	(1.90)	0.17
Sub-Total	1,637.31	633.55	2,270.86
Assets			
Provision for major maintenance obligation	66.53	(66.53)	-
Amount payable to concession authorities as per service concession agreement	287.52	130.00	417.52
Tax credit (minimum alternative tax)	433.90	173.26	607.16
Sub-Total	787.95	236.73	1,024.68
	849.36	396.82	1,246.18

Particulars	03 December 2021	Acquisition under common control business combinations (refer note 48)	Recognised in the Statement of Profit and Loss during the period	31 March 2022
Liabilities				
Timing difference on amortisation of intangible assets and depreciation of property plant and equipment	-	1,533.95	98.96	1,632.90
Adjustment on account of interest free loan and upfront fees on borrowings	-	0.37	1.77	2.34
Fair valuation of investments	-	3.05	(0.98)	2.07
Sub-Total	-	1,537.36	99.75	1,637.31
Assets				
Provision for major maintenance obligation	-	-	(66.53)	66.53
Amount payable to Concession Authorities as per service concession agreement	-	252.71	34.80	287.52
Unused business loss	-	9.59	(9.59)	-
Tax credit (minimum alternative tax)	-	384.65	49.30	433.90
Sub-Total	-	646.95	441.04	787.95
	-	890.61	(41.30)	849.36

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21 Current borrowings

Unsecured

Liability component of compound financial instruments

Secured

Current maturities of long-term borrowings (also refer note 17)

- Rupee term loans from banks
- Term loans from related parties
- Non-convertible debentures

	As at 31 March 2023	As at 31 March 2022
		519.08
	160.00	324.21
		422.72
	65.00	741.62
	225.00	2,007.63

(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Long-term borrowings (including current maturities)
Balance as at 03 December 2022	-
Acquisition under common control business combinations (refer note 48)	23,412.35
Cash flows:	
Proceeds	7,562.77
Repayment/ redemption	(7,693.51)
Non-cash:	
Impact of amortised cost adjustment for borrowings	(13.18)
Balance as at 31 March 2022	23,268.43
Cash flows:	
Proceeds	11,469.03
Repayment/ redemption	(14,413.10)
Non-cash:	
Units allotted against redemption of compulsory convertible debentures ('CCD')	(7,978.14)
Units allotted against redemption of preference share capital	(519.08)
Impact of amortised cost adjustment for borrowings	(60.30)
Balance as at 31 March 2023	14,766.86

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22 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises (refer note (iii) below)	10.18	18.66
Total outstanding dues to creditors other than micro and small enterprises	154.03	0.82
- to related parties (refer note 44)	223.50	301.32
- to others	387.71	320.80

Note:

- (i) Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40- Financial risk management for assessment of expected credit losses
- (ii) The carrying values are considered to be a reasonable approximation of fair value
- (iii) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006
- On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

	As at 31 March 2023	As at 31 March 2022
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	10.18	18.66
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(iv) Ageing schedule of Trade Payables:

As at 31 March 2023	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	6.72	3.46	-	-	-	10.18
(ii) Undisputed dues - Others	182.22	172.51	12.14	10.39	0.26	377.53
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	188.94	175.97	12.14	10.39	0.26	387.71

As at 31 March 2022	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	-	18.66	-	-	-	18.66
(ii) Undisputed dues - Others	-	290.32	1.02	10.01	0.78	302.14
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	308.98	1.02	10.01	0.78	320.80

23 Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Deferred payment liabilities-payable to concession authorities for toll collection rights	136.53	130.04
Retention money	40.20	52.35
Advance against customers	3.81	-
Interest accrued on Rupee term loan	1.19	-
Interest accrued on Non convertible debentures (NCD's)	1.30	-
Interest accrued but not due borrowings	-	366.76
Employees payable	5.01	5.58
Provision for corporate social responsibility (CSR) (refer note 31.2)	0.78	0.49
Other payables	38.30	94.16
	227.12	649.37

Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40- Financial risk management for assessment of expected credit losses



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
24 Other current liabilities		
Payable to statutory authorities	43.11	30.15
Other payables	-	1.01
	<u>43.11</u>	<u>31.16</u>
(i) Refer note 39- Fair value disclosure for disclosure of fair value in respect of financial assets measured at amortised cost and note 40- Financial risk management for assessment of expected credit losses		
25 Provisions		
Provision for employee benefits		
Gratuity (refer note 39)	0.80	0.65
Compensated absence (refer note 39)	0.42	0.45
Other provisions		
Major maintenance obligation (refer note 19)	424.24	279.05
	<u>425.46</u>	<u>280.15</u>
(i) For disclosures related to provision for employee benefits, refer note 39 - Employee benefit obligations.		
26 Current tax liabilities (net)		
Provision for income tax (net)	-	4.29
	<u>-</u>	<u>4.29</u>

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
27 Revenue from operations*		
Income arising out of toll collection	5,637.45	1,465.61
Interest income on annuity receivable from National Highways Authority of India ("NHAI")	183.75	55.54
Revenue from operations and maintenance of road	280.23	61.37
Change of scope and utility shifting expenses	50.92	50.43
Gain on modification of annuity	-	243.08
	6,152.35	1,876.03
*refer note 43		
27.1 Profit on sale of assets/investments		
Gain on sale of property, plant and equipment (net)	0.02	0.65
Gain on investments carried at fair value through profit or loss (net)	2.36	-
Gain on sale of investments (net)	123.66	29.70
	126.04	30.35
28 Other income		
Interest income		
- Income tax refund	1.43	-
- Others	10.35	2.21
Insurance claims	8.03	2.02
Excess provisions written back	9.15	1.00
Gain on modification of financial liability	-	26.03
Miscellaneous income	2.21	14.78
	31.17	46.04
29 Employee benefits expense		
Salary, wages and bonus	87.20	21.18
Contribution to provident and other funds	5.53	1.79
Staff welfare expenses	11.30	4.79
	104.03	27.76

For disclosures related to provision for employee benefits, refer note 39 - Employee benefit obligations

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
30 Other finance costs		
Unwinding finance cost on deferred payment to National Highways Authority of India (NHAI) for purchase of right to charge user of toll roads	177.46	42.50
Unwinding of discount on major maintenance provision	51.31	15.87
Unwinding of discount on provisions and financial liabilities carried at amortised cost	110.04	13.18
Modification loss on financial liability	5.06	-
Finance and bank charges	103.61	2.05
	447.48	73.60
31 Operating expenses		
Expenses related to claim from National Highways Authority of India (NHAI) / Public Works Department (PWD)	28.62	-
Modification loss on annuity	298.57	-
Change of scope and utility shifting expenses	38.23	46.69
	365.44	46.69
32 Other expenses		
Power, fuel and water charge	32.30	6.10
Communication	2.93	0.87
Loss on investments carried at fair value through profit or loss (net)	-	6.26
Rates and taxes	0.61	0.06
Travelling and conveyance	9.19	3.19
Rent (refer note 36)	1.97	0.63
Bad debts written off	9.34	-
Printing and stationery	0.63	0.25
Miscellaneous expenses	6.37	0.41
	63.34	17.77
31.1 Audit fees*		
Statutory audit and limited review fees	15.43	-
Certification fees	1.24	-
Out of pocket expenses	0.71	-
Total	17.38	-

*Including goods and service tax, as applicable

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

31.2 Corporate social responsibility (CSR)

Pursuant to provisions of section 135 of the Companies Act 2013 (the Act) are applicable on few subsidiaries of the Trust. In accordance with the provisions of section 135 of the Act, the Board of Directors of the respective subsidiaries (where applicable) of Trust had constituted CSR Committee. The details of CSR activities are as follows:-

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022*
(A) Amount required to be spent by the Company during the year	15.16	11.86
(B) Total of previous year of shortfall	0.49	1.18
(C) Total amount required to be spent (A+B)	15.65	13.04
(D) Amount of expenditure incurred	14.87	12.55
(E) Unspent amount at the end of the year (C-D)	0.78	0.49

*Details of CSR disclosure for the comparative period is given from 01 April 2022 to 31 March 2023

^The unspent amount has been deposited to designated CSR unspent account within 30 days from the end of financial year in accordance with provision of Companies Act, 2013 read with relevant rules made thereunder.

Nature of CSR activities

A. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation.	10.33	10.73
B. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	4.54	1.81
C. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	-	-
D. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.	-	-
E. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	-	-
F. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	-	-
Total expenditure incurred	14.87	12.55

Notes:

- The Group carries provision for corporate social responsibility for the current year and previous year.
- The Group have a ongoing projects in one subsidiaries as at 31 March 2023 and 31 March 2022



17(iii) Notes:

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sl. No.	Nature of borrowing	Name of Entity	As at		Rate of Interest and Repayment Terms
			31 March 2023	31 March 2022	
1	Rupee term loans from banks (secured)	Highways Infrastructure Trust	7,833.13	-	<p>Rate of Interest and Repayment Terms Rupee term loan from banks of ₹ 7,833.13 millions (31 March 2022: Nil) which carries assigned average interest rate of @ 7.94% p.a. (31 March 2022: Nil) linked to 1 year MCLR of respective banks plus spread, the interest rate will reset on an annual basis. The said loan is repayable in 55 instalments quarterly commencing starting from 30 September 2022 and ending on 31 March 2026.</p> <p>The Rupee Loan is secured by way of:</p> <ul style="list-style-type: none"> a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivable of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to: (i) all receivables of the Issuer from the HoldCo and SPVs; (ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCo and SPVs; (iii) dividends and any other amounts to be paid / payable by the HoldCo and SPVs to the Issuer; (iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or intangibles (in each instance, if any) of the Issuer; and (v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets including but not limited to its goodwill, undertaking and localised capital; b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer; c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account it substitution thereto), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities credited to the Escrow Account including the cash flows to be received from the HoldCo and SPVs; d) first ranking pari passu charge over DSRA, all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fund deposit in lieu of the DSRA; e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefit, claims and demands whatsoever of the Issuer in, to and under all the loan, and advances extended by the Issuer to any of the HoldCo and SPVs; present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereinafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loans; f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities"); g) undertaking from SPV and HoldCo in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee; and h) unconditional and irrevocable corporate guarantee by each of the SPVs and the HoldCos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee").
2	Rupee term loans from banks (secured)	Shiksha Expressway Private Limited	-	701.68	<p>Rate of Interest and Repayment Terms Indian rupee term loans from Bank at at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 701.68 millions), which carries average interest rate of Nil (31 March 2022: 7.66%). Loan is repayable in percentage of facility as soon annually instalments.</p> <p>The Rupee term loan is secured by way of:</p> <p>first ranking pari passu charge by way of hypothecation of entire movable assets of the Project SPV, both present and future, including movable plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, except project assets (as defined under concession agreement). First charge over all accounts of Project SPV including ESCROW account and Sub-Accounts but not limited to Major Maintenance Reserve, Debt Service Reserve account and any other reserve and other bank accounts of the Project SPV, wherever maintained that may be opened in accordance with the financing documents and all funds from time to time deposited therein. First charge on all intangibles assets including but not limited to goodwill, rights, undertaking and intangible capital present and future including the project assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the terms specified in the concession agreement and relevant clauses of the Escrow Agreement) further a charge on unutilised capital as set in above, shall be subject however to the provision of the concession agreement. A first charge on assignment to the Project SPV, in, to and under all the right, title, interest, benefit, claims and demands whatsoever of the Project SPV in the project documents; (ii) the right, title and interest of the Project SPV in, to and under all the government deposits; (iii) all the right, title, interest, benefit, claims and demands whatsoever of the Project SPV, in any form of security, guarantee including contractor guarantee and performance bond provided by any party to the project documents; (iv) all the right, title, interest, benefit, claims and demands whatsoever of the Project SPV under all insurance contracts. Shares are required to be pledged as a security for the Project SPV was pledged to the Lender (Aure Bank), pursuant to the transfer, the Project SPV is under the process of pledging the shares again and is waiting for RBI approval on FC-GPR filing.</p> <p>First pari-passu charge on Pledge of 34% each of equity shares and preference shares and Non Disposal Undertaking of 21% each of equity shares and preference shares of the Project SPV. Provided that any enforcement of pledge over the shares shall be subject to the applicable provisions of the concession agreement and the prior written approval of NHAI as provided therein. The shares to be pledged shall be free from any restrictive covenants / lien or other encumbrances under any existing/ arrangement including shareholder agreement/ joint venture agreement/ financing arrangement.</p> <p>Loan is repayable in percentage of facility as soon annually instalments. However the entire loan has been repaid on 15 April 2022 and 14 June 2022.</p>

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Sl. No.	Nature of borrowing	Name of SPV	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
3	Rupce term loans from banks (secured)	Jodhpur Pall Expressway Private Limited	-	1,343.50	<p>Rate of interest and Repayment Terms Indian rupce term loans from banks at 31 March 2023 of ₹ Nil (31 March 2022 ₹ 1,343.50) millions which carries average interest rate of Nil (31 March 2022 - 9.50%). The loan is to be repaid in 07 unequal quarterly installments starting from 15 October 2017 and ending on 15 July 2024.</p> <p>The rupce term loan is secured by the way of:</p> <p>Pass pass first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Assets as defined in the Concession Agreement. Further secured by way of first pass charge on the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies, both present and future, Letter of Credit / promissory / liquidated damages and performance bond provided by the party and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. Herein pass pass pledge of 51% of equity share capital of the Borrower held by the Sponsor.</p> <p>To enable the change in ownership of the Project from India Infrastructure Fund - II to Galaxy Investments II Pte. Ltd., the aforementioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently availing No-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and will maintain the pledge, once the said NOC is received from the AD bank. However, the same has been repaid on 15 November 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>
4	Rupce term loan from financial institutions (Secured)	Devas Bhopal Corridor Private Limited	-	1,223.86	<p><u>Rate of interest and Repayment Terms</u> Indian rupce term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022 ₹ 1,233.88 millions), which carries rate of interest rate of Nil (31 March 2022- 8.50% p.a for both RIL-I and RIL-II.) The interest rate is linked to 6-month MCLR of SBI plus spread of respective facility with MCLR, reset on semi-annual basis and spread reset on annual basis. Both the term loans are repayable in 55 unequal quarterly installments starting from 31 March 2018 and ending on 31 March 2031.</p> <p><u>The rupce term loan is secured by first charge on:-</u></p> <p>(a) all movable assets present and future except the project assets; (b) all revenues which may be received by the Borrower under the Project Documents or otherwise; (c) all bank accounts of the Borrower; (d) all intangibles including goodwill, undertaking of the Borrower, uncalculated capital, trademarks, patents, present and future; (e) all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower in the Project Documents, all as amended, varied or supplemented from time to time; (f) all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; (g) all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower under the insurance Contracts; and (h) by way of pledge of Shares of 51% of the Equity of the SPV and change on 51% of Loans and Other Securities, subject to the terms of the financing agreements, the Concession Agreement and Escrow Agreement.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund - II to Galaxy Investments II Pte. Ltd., the aforementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 29 December 2021 for No-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and has received the pledge, since it has received NOC from AD bank on 25 April 2022. However the said loan has been repaid on 27 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>

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Sl. No.	Name of borrowing	Name of SPV	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
5	Rupee term loan from financial institutions (Secured)	Godhna Expressways Private Limited	-	156.63	<p>Rate of Interest and Repayment Terms Indian rupee term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 156.62 millions), which carries interest rate of 31 March 2023: Nil (31 March 2022: 10.50%) per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036.</p> <p>The rupee term loan is secured by the way of:</p> <ol style="list-style-type: none"> first mortgage and charge on all the Borrower's Mortgage Properties, immovable properties, both present and future, save and except the Project Assets; a first charge on all the Borrower's tangible movable assets, including machinery, plant and machinery, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; a first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Accounts (including the DSRs and the MARRs) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplemental Escrow Agreement; or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account; and a first charge on the receivables; and first charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date. <p>A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till March 31, 2023.</p> <p>Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pre. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations, and has received the pledge, since it has received NOC from AD bank on 25 April 2022. However the same has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>
6	Term loan from financial institutions (Secured)	Ulundupet Expressways Private Limited	-	1,795.38	<p>Rate of Interest and Repayment Terms Indian rupee term loans from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,795.56 millions), which carries interest rate of 31 March 2023: Nil (31 March 2022: 10.50%) per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036.</p> <p>The term loan is secured by the way of:</p> <ol style="list-style-type: none"> first mortgage and charge on all the Borrower's Mortgage Properties, immovable properties, both present and future, save and except the Project Assets; a first charge on all the Borrower's tangible movable assets, including machinery, plant and machinery, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; a first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Accounts (including the DSRs and the MARRs) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplemental Escrow Agreement; or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account; and a first charge on the receivables; and first charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date. <p>A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till March 31, 2023.</p> <p>Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pre. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will receive the pledge, since the said NOC is received from the AD bank. However the same has been repaid on 09 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>
7	Non-convertible debentures (Secured)	Dewas Bhopal Corridor Private Limited	-	1,613.56	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution of Nil (31 March 2022: ₹ 1,613.56 millions), which carries average interest rate of Nil (31 March 2022: 8.29%). The NCDs are redeemable in 37 unequal quarterly instalments starting from 31 March 2016 and ending on 31 March 2030 during the financial year ended 31 March 2022.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <ol style="list-style-type: none"> SPV's movable properties, both present and future, except project assets; All accounts, both present and future including escrow account, major maintenance reserve, DSRs and other reserves and bank accounts of borrower; Intangible assets including goodwill, rights, undertaking and uncalled capital, excluding project assets; by way of pledge of Shares of 51% of the Equity of the SPV, subject to the terms of the financing agreement, the Concession Agreement and Escrow Agreement; all the rights, title interest, benefits, claims and demands of borrower in project agreements, government approvals, letter of credit, guarantees; a first charge by way of mortgage over identified immovable properties, save and except Project Assets; and a negative lien on 26% of the Equity of the Issuer by the Other Shareholders until Final Settlement Date or receipt of approval of MPRDC for divestment of such shareholding. <p>Provided that the aforesaid mortgage, hypothecation charges, assignments and the pledge of Shares and negative lien on Shares shall rank pari passu inter se amongst:-</p> <ul style="list-style-type: none"> The Debenture Holders without any preference or priority to one over the other or others; and The Debenture Holders and the Rupee Lenders (for Facility-I) without any preference or priority to one over the other or others, <p>subject to and in accordance with the Concession Agreement and the IDf Tugaitra Agreement (as approved by MPRDC).</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pre. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 26 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations, and had received the pledge, since it has received NOC from AD bank on 25 April 2022. However the said loan has been repaid on 27 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>



Sl. No.	Nature of borrowing	Name of SPV	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
8	Non-convertible debentures (Secured)	Godhra Expressways Private Limited	-	3,922.40	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 3,922.40 million) which carries average interest rate of Nil (31 March 2022: - 9.73%). The NCDs are redeemable in 76 unequal quarterly instalments starting from 30 June 2017 and ending on 28 February 2036.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <ol style="list-style-type: none"> first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; a first charge on all the Borrower's tangible movable assets, including moveable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets; a first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Accounts (including the DSRs and the MURs) (on any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Pending Investments or other securities representing all amounts credited to the Escrow Account, and a first charge on the receivables; and The Secured Debt is secured on a pari passu basis by a first ranking charge in relation to the Repay Facility/ NCDs on Mortgaged Properties, all tangible movable assets, all intangible assets excluding Project Assets, all accounts of the SPV, and by way of pledge of Shares of 51% of the Equity of the SPV / Sponsor's Debentures and by way of assignment of 51% of other Sponsor's Contributions, subject to the terms of the Concession Agreement and Escrow Agreement. The Debt is further secured by non-disposal undertaking for the balance 49% of the shares of the SPV until 31 March 2023. <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pvt. Ltd., the aforementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for No-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and has received the pledge, since it has received NOC from AD bank on 25 April 2022. However the said loan has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>
9	Non-Convertible debentures (Secured)	Jodhpur Path Expressways Private Limited	-	1,254.35	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,254.35 million) which carries average interest rate of Nil (31 March 2022: - 9.35%). NCD is redeemable in unequal quarterly instalments starting from 15 January 2018 and ending on 15 January 2024.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <p>Pari passu first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first pari passu charge on the rights, title, interest, benefit, claims, of the Project SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the Project SPV in respect of monies lying to the credit of Escrow account and other accounts. First pari passu pledge of 51% of equity share capital of the Borrower held by the Sponsor.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pvt. Ltd., the aforementioned pledge on the equity shares has been released on 10 December 2021. The Company is currently awaiting No-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and will receive the pledge, once the said NOC is received from the AD bank. However the said loan has been repaid on 15 November 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>
10	Non-convertible debentures (Secured)	Nirmal BOT Limited	-	1,249.10	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,249.10 million) which carries average interest rate of Nil % (31 March 2022: - 9.38%). Debentures are redeemable semi annually (uneventy) starting from 18th November 2010 and ending on 18 May 2026.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <ol style="list-style-type: none"> The land is under lien by way of mortgage to Axis Trustee Services Limited acting as Debonatus Trustee, by way of charge dated 16 December 2010; and Debenture's are secured by way of first and exclusive charge on all assets both present and future and annual receivables, excluding the project assets as defined in the Concession Agreement. <p>Undertakings from the Sponsor to deposit the amount of difference between the actual O&M costs and the O&M costs as per the Trust and Retention Account and difference between the actual annuity received and annuity as per annuity schedule.</p> <p>However the said loan has been repaid on 23 September 2022 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>

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Sl. No.	Nature of borrowing	Name of SPV	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
III	Non-convertible debentures (Secured)	Ulundupur Expressways Private Limited	-	1,039.91	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2023 of ₹ Nil (31 March 2022: ₹ 1,039.91 millions) which carries average interest rate of Nil (31 March 2022 - 9.90%). These are redeemable in 48 unequal quarterly instalments starting from 30 April 2015 and ending on 15 January 2025.</p> <p>The Non-Convertible Debentures are secured by the way of : Partly paid up first charge over SPV's movable properties, both present and future, including plant and machinery and Intangible Asset excluding project assets. Further secured by the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. A first charge by way of pledge of Shares of 51% of Equity of the Issuer.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund - II to Galaxy Investments II Pte. Ltd., the abovesaid pledged on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank as per application filed on 24 December 2021. In terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank.</p> <p>Additionally, Non-Disposal Undertaking (NDU) has been marked over 51% of the CCDs of the Project SPV held by it in favour of IDBI Trusteeship Services Limited (for the benefit of existing lenders of the Project SPV).</p> <p>However the said loan has been repaid on 09 September 2023 pursuant to the refinancing arrangement entered into between Trust and Project SPV.</p>

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Sl. No.	Nature of borrowing	Name of Entity	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
12	Issued redeemable non-convertible debentures	Highways Infrastructure Trust	6,40,05	-	<p>Rate of Interest and Repayment Terms</p> <p>The Trust issued senior secured debentures, called fixed, redeemable, non-convertible debt (NCDs) amounting to ₹400.00 crores for Series I at coupon rate of 8.32%, p.a which will mature on 22 December 2025 and 22 September 2026 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quarterly installments starting from 31 December 2022 and ending on 22 September 2025.</p> <p>Securities</p> <p>The said series I NCDs is repayable in 13 structured quarterly installments starting from 31 December 2022 and ending on 22 September 2025.</p> <p>Non convertible debentures (NCD) are secured by way of:</p> <ol style="list-style-type: none"> first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Trust), present and future, including but not limited to (a) all receivables of the Trust from the HoldCo and SPVs, (b) loans and advances, and interest on such loans and advances advanced by the Trust to the HoldCo and SPVs, (c) dividends and any other amount to be paid / payable by the HoldCo and SPVs to the Trust, (d) inventions, patents, rights, securities, patents, trademarks, other intellectual property, equipment and/or intangibles (in each instance, if any) of the Trust; and (e) all other current assets of the Trust, including all the Trust's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future; first ranking pari passu charge by way of mortgage on all immovable assets of the Trust (if any), both present and future; it is clarified that, as on the date hereof, there is no immovable property owned by the Trust; first ranking pari passu charge by way of hypothecation over all bank accounts of the Trust, including but not limited to the Escrow Account and the Sec-Account (for account in which the Trust has accumulated the cash proceeds from the HoldCo and SPVs, deposited therein (including the interest); and the permitted encumbrances or other securities representing all amounts credited to the Escrow Account, including all the Trust's bank guarantee or fixed deposit in favor of the ESICA; first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefit, claim and demands whatsoever of the Trust in, to and under all the loans and advances extended by the Trust to any of the HoldCo and SPVs present and future (collectively, the "Trust Loans"); (b) the right, title and interest and benefits of the Trust in, to and under all the SPVs Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Trust with respect to the Trust Loans including all rights and securities available to the Trust Loans in respect of the Trust Loans including documents in respect of Trust Loans; a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, owned by each of the SPVs and the HoldCo to the Trust; and unconditional and irrevocable corporate guarantee by each of the SPVs and the HoldCo, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee").
13	Loan from others (unsecured)	Udharpur Expressways Private Limited	317.68	470.62	<p>Rate of Interest and Repayment Terms</p> <p>Interest free loans from GMR Highways Limited of ₹ 317.68 millions (31 March 2022: ₹ 470.62 millions) repayable on or before 22 January 2027, however repayment can be made any after repayment of term loan, however on case surplus cash available at per the terms of financing document, the same can also be prepaid.</p>
14	Compulsory convertible debentures (CCDs)	Udharpur Expressways Private Limited	-	219.95	<p>The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 20 years from the date of issue. The outstanding CCDs shall earn coupon at the rate of 14% p.a. payable annually every financial year commencing from 31 March 2023 till 30 November 2031 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCDs shall be converted into equity shares in the following manner:-</p> <ol style="list-style-type: none"> Convertible into equity shares of INR 10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by applicable Laws, be lower than the fair market value of the equity shares as on the date of allotment of the CCDs), which will be mutually agreed; The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into equity shares (cash with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date); Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares of less than face value) as per the conversion formula given below: <p>(Face Value of the CCD) / (Fair market value of the equity shares as on date of conversion of the CCD) on a fully diluted basis</p> <p>Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders (i.e. Galaxy Investment II Pvt. Ltd., Highways Infrastructure Trust and the Project SPVs), the CCDs were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 21 August 2022.</p>

It is now been investigated (see below)



Sl. No.	Name of borrowing	Name of Equity	As at		Key terms and security structure
			31 March 2023	31 March 2022	
15	Compulsory convertible debentures (CCDs)	Jodhpur Pall Expressway Private Limited	-	2,333.83	<p>The STVs has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rate of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCD shall be converted into equity shares in the following manner:-</p> <p>a. Convertible into equity shares of ₹10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the equity shares as on date of allotment of the CCDs), which will be mutually agreed;</p> <p>b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date;</p> <p>c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and</p> <p>d. Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below:</p> <p>[Face Value of the CCD] / [Fair Market Value of the equity shares as on date of conversion of the CCD on a fully diluted basis]</p> <p>Pursuant to the share purchase agreement dated 08 August 2022 entered between the convertible shareholders i.e. Galaxy Investment II Private Limited, Highways Infrastructure Trust and the Project SPVs the CCDs were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022 and the same is elaborated at control level.</p>
16	Compulsory convertible debentures (CCDs)	Galbra Expressways Private Limited	-	5,694.14	<p>The STVs has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rate of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCD shall be converted into equity shares in the following manner:-</p> <p>a. Convertible into Equity Shares of ₹10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed;</p> <p>b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date;</p> <p>c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and</p> <p>d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below:</p> <p>[Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis]</p> <p>Pursuant to the share purchase agreement dated 08 August 2022 entered between the convertible shareholders i.e. Galaxy Investment II Private Limited, Highways Infrastructure Trust and the Project SPVs the CCDs were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022. However out of the total CCDs, a revaluation of CCDs amounting to ₹ 2860 Millions was paid to cash by Highways Infrastructure Trust.</p>
17	Compulsory convertible debentures (CCDs)	Narmal HOI Limited	-	331.12	<p>The STVs has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rate of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCD shall be converted into equity shares in the following manner:-</p> <p>a. Convertible into Equity Shares of ₹10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed;</p> <p>b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date;</p> <p>c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and</p> <p>d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below:</p> <p>[Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis]</p> <p>Pursuant to the share purchase agreement dated 08 August 2022 entered between the convertible shareholders i.e. Galaxy Investment II Private Limited, Highways Infrastructure Trust and the Project SPVs, the CCDs were transferred from Galaxy Investment II private limited to Highways Infrastructure trust on 23 August 2022.</p>

(This page has been issued jointly by Marks)



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of Entity	As at		Repayment terms and security disclosure
			31 March 2023	31 March 2022	
18	Liability portion of compound instrument - Preference Shares	Shillong Expressway Private Limited	-	519.08	<p>The SPV has only one class of 2,100,000 Non-cumulative Redeemable preference shares at par value of ₹ 10 per share. The SPV has classified Non-cumulative redeemable preference shares as compound financial instrument and bifurcated equity and liability component with retrospective effect from its origination date. During the year 2018-19, the SPV has redeemed the 203,000 nos. of 6% Non-Cumulative Redeemable Preference Shares (Preference Shares) out of 2,100,000 preference shares at price of ₹ 300 each. As per shareholders meeting held on 30 June 2020, the terms of preference shares are changed and the same are now redeemable at any time on or before 31 March 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited.</p> <p>As per Board meeting held on 31 March 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 31 May 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited.</p> <p>As per Board meeting held on 13 May 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 30 September 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited.</p> <p>As per Board meeting held on 24 September 2021, the terms of preference shares are changed as 1,817,000 nos. of Preference Shares issued on 04 January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 31 December 2021 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited. These terms subsequently revised and the redemption date extended to 31 March 2022.</p> <p>As per resolution passed through circular by board of directors on 07 April 2022, the terms of preference shares are changed as 1,817,000 nos. of Preference Shares issued on 04 January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 30 September 2022 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited.</p> <p>Pursuant to the share purchase agreement dated 08 August 2022 entered between the erstwhile shareholders i.e. Galaxy Investment II Private Limited, Highways Infrastructure Trust and the Project SPV, the preference shares were transferred from Galaxy Investment II Private Limited to Highways Infrastructure Trust on 23 August 2022.</p> <p>As per resolution passed through circular by board of directors on 30 August 2022, the terms of preference shares are changed as 1,817,000 nos. of Preference Shares issued on 04 January 2011 redeemable at a price of ₹ 300/- each, at any time on or before 30 September 2023 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited.</p> <p>As per resolution passed through circular by board of directors on 07 November 2022, the company partial redemption of 908,500 nos. of 6% non-cumulative redeemable preference shares of ₹ 10/- each aggregating to ₹ 9,085,000/- at the price of ₹ 300/- each per preference shares aggregating to ₹ 272,550,000/-.</p> <p>The Trust has acquired preference shares of Shillong Expressway Private Limited from the erstwhile shareholders i.e. Galaxy Investment II Private Limited on 26 August 2022, and the same is get eliminated at consolidated level.</p>
Total			14,766.86	23,268.43	

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

33 Assets pledged as security

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Investments (refer note 9)	648.60	2,152.39
Trade receivables (refer note 10)	0.16	37.30
Cash and cash equivalents and bank balances (refer note 11 and 12)	1,895.69	2,338.44
Other financial assets (refer note 13)	631.38	936.82
Other current assets (refer note 14)	55.23	72.90
Total current assets pledged as security	3,231.06	5,537.85
Non-current		
Property, plant and equipment (refer note 3)	100.00	130.04
Capital work in Progress (refer note 4)	-	2.39
Intangible assets (refer note 5)	19,353.89	20,246.56
Other non-current financial assets (refer note 6)	541.71	1,387.67
Non-current tax assets (net) (refer note 7)	83.57	89.40
Other non-current assets (refer note 8)	6.26	0.28
Total non-currents assets pledged as security	20,085.42	21,856.34
Total assets pledged as security	23,316.49	27,394.19

01 April 2022 to
31 March 2023

03 December 2021 to
31 March 2022

34 Tax expense

(i) Income tax expense recognised in Consolidated Statement of Profit and Loss

Current tax	225.67	81.95
Deferred tax	396.82	(41.30)
	622.49	40.65

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

Profit before tax	964.48	489.03
Income tax using the Group's domestic tax rate *	29.12%	29.12%
Expected tax expense [A]	280.86	142.41

Tax effect of amount which are not deductible/ (taxable) in calculating taxable income

Tax impact of exempt income pursuant to tax holiday and other exemptions as per Income Tax Act, 1961	(360.76)	(90.08)
Minimum Alternate Tax (MAT) credit recognized	(173.27)	(49.28)
Impact on account of change in rates	-	(32.98)
Deferred tax asset not recognised due to absence of certainty of realisability	364.58	70.58
Recognition of additional deferred tax liability pursuant to extension impact considered in subsidiaries of the Trust	510.66	-
Others	0.42	-
Total adjustments [B]	341.64	(101.76)

Actual tax expense [C=A+B]

	622.49	40.65
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* Domestic tax rate applicable to the Group has been computed as follows:

Base tax rate	25.00%	25.00%
Surcharge (% of tax)	12.00%	12.00%
Cess (% of tax)	4.00%	4.00%
Applicable rate	29.12%	29.12%

Note:

Tax rate applicable on the project SPV's have been considered for the purpose of above disclosure.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(ii) Unused tax losses and credits:

- Unused tax losses:

Unused tax losses for which no deferred tax asset has been recognised*

Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)

Particulars	As at 31 March 2023	As at 31 March 2022
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised (Refer (a) and (b) below)	10,201.07	10,220.05
Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)	2,970.55	2,976.08

a) Unused business loss can be carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2023	31 March 2031	471.14	-
		471.14	-

b) Unabsorbed depreciation:

Unabsorbed depreciation for which no deferred tax asset has been recognised*

Potential tax benefit @ 29.12% (31 March 2022 : 29.12%)

Unabsorbed depreciation carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2010	Infinite period	-	496.18
31 March 2011	Infinite period	830.08	833.84
31 March 2012	Infinite period	736.96	736.96
31 March 2013	Infinite period	558.61	558.61
31 March 2014	Infinite period	1,361.35	1,361.35
31 March 2015	Infinite period	1,894.20	1,894.20
31 March 2016	Infinite period	1,620.12	1,620.55
31 March 2017	Infinite period	1,196.37	1,196.37
31 March 2018	Infinite period	658.23	658.23
31 March 2019	Infinite period	383.77	383.77
31 March 2020	Infinite period	217.85	208.65
31 March 2021	Infinite period	29.99	29.99
31 March 2022	Infinite period	242.40	241.35
31 March 2023	Infinite period	214.94	-
		9,729.93	10,220.05



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

b) Minimum alternate tax ('MAT'):

Unused MAT credit

There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts considering the Group believes that it is not probable that the same can be utilized during the specified allowable year against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Financial year of origination	Financial year of expiry	As at 31 March 2023	As at 31 March 2022
31 March 2014	31 March 2029	2.34	2.34
31 March 2015	31 March 2030	10.05	10.05
31 March 2016	31 March 2031	6.68	6.68
31 March 2017	31 March 2032	23.11	23.11
31 March 2018	31 March 2033	20.69	20.69
31 March 2019	31 March 2034	5.34	5.34
31 March 2020	31 March 2035	41.94	41.94
31 March 2021	31 March 2036	39.73	39.73
31 March 2022	31 March 2037	29.77	17.49
		179.64	167.37

35 Earnings per unit (EPU):

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit attributable to unitholder (₹ in millions)	341.99	-
Number of weighted average equity shares (Nominal value of ₹ 100 each)**		
- Basic (₹)	415,500,000	-
- Diluted (₹)	415,500,000	-
Earnings per unit - after exceptional items and tax		
- For Basic (₹)	0.82	+
- For Diluted (₹)	0.82	+

Note:

*The number of units issued by Highways Infrastructure Trust to the unit holders in exchange for the shareholding of the project SPVs were issued during the current year, hence earning per unit has not been calculated for the period 03 December 2021 to 31 March 2022.

**Units were issued on 23 August 2022, however for the purpose of Earnings per unit has been arrived without considering weighted average number of units as the income statement pertains to financial year ended 31 March 2023 based on the common control arrangement of business combination as explained in note 48.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

36 Information on Lease transactions pursuant to Ind AS 116-Leases

The group is a lessee under various short term leases. Rental expense on short term or low value leases for the financial years ended 31 March 2023 and 31 March 2022 are ₹ 1.97 million, ₹ 0.63 million respectively.

37 Capital and other commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated project cost for construction of highway committed to be executed	30.57	27.13

38 Contingent liabilities and claims

Particulars	As at 31 March 2023	As at 31 March 2022
Sales tax / service tax and income tax cases in respect of which Group is in appeals	138.19	138.19
Income tax cases in respect of Group	4.03	-
Claims raised against the Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals *	221.19	221.19
Labour welfare dues in respect of which Group is in appeals*	47.78	47.78
Total	411.19	407.16

*The said contingent liability is covered under pass through arrangement as per assignment agreement of the project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability in (net) will devolve on the Trust.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

39 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

A Disclosure Contribution plan

The group's contribution to the employees provident fund is deposited with the provident fund commissionaire which is recognised by the Income Tax authorities. The group recognised ₹ 5.13 million (for the period 03 December 2021 to 31 March 2022: ₹1.68 million) for provident fund contribution and the group's contribution to the employee state insurance corporation fund is deposited with Authority which is recognised by the Income Tax authorities for the year ended 31 March 2023. The group recognised ₹ 0.40 million (for the period 03 December 2021 to 31 March 2022: ₹ 0.11 million) for Employee State Insurance Corporation in the consolidated statement of profit or loss for the year ended 31 March 2023.

B Summary of gratuity and compensated absences:

Description	As at 31 March 2023		As at 31 March 2022	
	Current	Non-Current	Current	Non-Current
Provisions:				
Gratuity	0.80	9.25	0.65	8.35
Compensated absences	0.42	4.62	0.45	4.65
Total provisions	1.21	13.87	1.09	13.00
Fair value of plan assets of gratuity	0.29	1.08	0.33	0.28

C Disclosure of gratuity

Gratuity (funded)

The group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The group provides for gratuity, based on actuarial valuation as of the balance sheet date. Vesting occurs upon completion of 5 years of service.

Description of risk exposures:

A description of the risks to which the plan exposes the entity, focused on any unusual, entity specific or plan-specific risks, and of any significant concentrations of risk." E.g. Interest rate risk, liquidity risk, salary escalation risk etc. Following are some of the risks that the Group is exposed to:

- (a) **Salary increases** - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- (b) **Investment risk** - If plan is funded then assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- (c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- (d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- (e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact liability.

(i) Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Current service cost	2.21	0.56
Interest cost	0.52	0.29
Net impact on profit (before tax)	2.73	0.85
Actuarial (gain) / loss recognised during the year / period	(0.90)	0.23
Amount recognised in total comprehensive income	1.83	1.08

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(ii) Movement in present value of obligation:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Present value of defined benefit obligation as at the beginning of the year / period	11.41	-
Acquisition under common control business combinations (refer note 48)	-	11.96
Transfer out obligation	(0.86)	(0.57)
Current service cost	2.21	0.56
Interest cost	0.74	0.29
Benefits paid	(0.67)	(0.99)
Actuarial (gain) / loss recognised during the year / period	(0.91)	0.16
Present value of defined benefit obligation as at the end of the year / period	11.91	11.41

(iii) Movement in the plan assets recognised in the Consolidated Balance Sheet is as under:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Fair value of plan assets at the beginning of the year / period	3.03	-
Acquisition under common control business combinations (refer note 48)	-	2.90
Actual return on plan assets	0.22	0.06
Contributions	-	0.00
Actuarial (gain) / loss	(0.01)	0.07
Fair value of plan assets at the end of the year / period	3.23	3.03

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	As at	As at
Present value of funded obligation as at the end of the year	11.91	11.41
Fair value of plan assets as at the end of the year funded status	3.23	3.03
Unfunded/funded net liability recognized in consolidated balance sheet	8.68	8.38

(v) Breakup of actuarial (gain)/loss:

Description	01 April 2022 to	03 December 2021 to
Actuarial gain from change in demographic assumption	-	-
Actuarial gain from financial assumption	(0.63)	(0.39)
Actuarial (gain) / loss from experience adjustment	(0.28)	0.56
Return on plan assets (excluding amounts included in net interest expense)	0.01	0.06
Total actuarial (gain) / loss for the year / period	(0.90)	0.23

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(vi) Actuarial assumptions:

Description	As at 31 March 2023	As at 31 March 2022
Discount rate-range	7.4% to 7.45%	6.35% to 7.75%
Rate of increase in compensation levels - range	6% to 8%	6% to 8%
Retirement age	58 years	58 years
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Notes:

- 1 The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.
- 2 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(vii) Sensitivity analysis for gratuity liability:

Description	As at 31 March 2023	As at 31 March 2022
Impact of change in discount rate		
Present value of obligation at the end of the year	11.91	11.41
- Impact due to increase of 0.50% - 1 %	11.32	(0.57)
- Impact due to decrease of 0.50% - 1 %	12.54	0.62
Impact of change in salary increase		
Present value of obligation at the end of the year	11.91	11.41
- Impact due to increase of 0.50% - 1 %	12.42	0.47
- Impact due to decrease of 0.50% - 1 %	11.40	(0.49)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

(viii) Maturity profile of defined benefit obligation:

Description	As at 31 March 2023	As at 31 March 2022
Within next 12 months	0.86	0.71
Between 1-5 years	4.03	3.07
Beyond 5 years	7.02	7.63
Total expected payments	11.91	11.41
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	7.75 - 15.67 years	9.03 - 16.16 years

B Compensated absence

Amount recognised in the Consolidated Statement of Profit and Loss is as under:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Current service cost	1.15	0.30
Interest cost	0.33	0.08
Actuarial gain recognised during the year	(0.82)	(0.51)
Amount recognised in the Consolidated Statement of Profit and Loss	0.65	(0.13)

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40 Categories of financial instruments and fair value measurement hierarchy:

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	648.60	-	-	648.60

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	2,152.39	-	-	2,152.39

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investor.

(ii) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at 31 March 2023		As at 31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Receivables under service concession arrangements	Level 3	1,136.25	1,345.51	1,944.23	1,944.23
Other financial assets	Level 3	36.84	36.84	380.26	380.26
Trade receivables	Level 3	0.16	0.16	37.30	37.30
Cash and cash equivalents	Level 3	349.11	349.11	365.82	365.82
Bank balances other than cash and cash equivalents above	Level 3	1,546.58	1,546.58	1,972.62	1,972.62
Total financial assets		3,068.94	3,278.19	4,700.23	4,700.23
Financial liabilities					
Borrowings (including current maturity)	Level 3	14,766.86	14,766.86	23,268.43	23,268.43
Trade payables	Level 3	387.70	387.70	320.80	320.80
Other financial liabilities	Level 3	1,783.95	1,783.95	1,926.30	1,926.30
Total financial liabilities		16,938.51	16,938.51	25,515.53	25,515.53

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, trade payables and other current financial liabilities (except current maturities of long term borrowings, deferred payment liabilities and current portion of annuity receivables) is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.

(ii) The fair values of the Group's loans and receivables are determined by applying discounted cash flows (DCF) method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non performance risk as at the reporting period end was assessed to be insignificant.

(iii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

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41 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	648.60	-	-	2,152.39	-	-
Other financial assets	-	-	1,173.09	-	-	2,324.49
Trade receivables	-	-	0.16	-	-	37.30
Cash and cash equivalents	-	-	349.11	-	-	365.82
Other bank balances	-	-	1,546.58	-	-	1,972.62
Total	648.60	-	3,068.94	2,152.39	-	4,700.23
Financial liabilities						
Borrowings	-	-	14,766.86	-	-	23,268.43
Trade payables	-	-	387.70	-	-	320.80
Other financial liabilities	-	-	1,783.95	-	-	1,926.30
Total	-	-	16,938.51	-	-	25,515.53

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents above, trade receivables, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investment at fair value through profit or loss	Sensitivity analysis	Diversification of its portfolio of assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

The Group's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of respective SPVs. The Board of directors of Investment manager provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to Special Purpose Vehicles (SPVs), placing deposits, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

Assets under credit risk :

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
A: Low	Other current and non current financial assets	1,173.09	2,324.49
	Cash and cash equivalents	349.11	365.82
	Bank balances other than cash and cash equivalents above	1,546.58	1,972.62
B: Medium	Trade receivables from National Highways Authority of India (NHAI)	0.16	37.30

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Group has trade receivables primarily from government authority National Highways Authority of India (NHAI). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other annuity receivable is primarily from government authority National Highways Authority of India (NHAI). Credit risk related to these receivables is managed by monitoring the recoverability of such amounts continuously. Credit risk related to these other financial assets (except annuity receivables) is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

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b) Expected credit losses

Trade receivables

The Group is engaged in infrastructure development business under Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project. It currently derives its revenue primarily from toll collection / annuity business. Since the annuity receivables are from National Highway Authority of India (NHAI) and various Government authorities, the credit risk with respect to such receivables from government institutions is expected to be very low and hence, no provision for expected credit loss is deemed necessary except in the case where particular receivables are known to be uncollectable. During the current year, the Group has not recognized any further provision for expected credit losses. There is no outstanding allowance of expected credit losses amounts as at 31 March 2023 (31 March 2022: Nil).

Financial assets (other than trade receivables)

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

• For cash and cash equivalents and bank balances other than cash and cash equivalents - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

• For loans and other financial assets - Credit risk is evaluated based on the Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population.

Further during the year, the Group has not recognized any additional expected credit loss (31 March 2022: Nil). There is no outstanding allowance of expected credit losses amounts as at 31 March 2023 (31 March 2022: Nil).

B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Group had access to no undrawn borrowing facilities at the end of the 31 March 2023 and 31 March 2022.

b) Maturities profile of financial liabilities

The Group has adequate financial assets and projected revenues from operations to meet its obligations for these liabilities. The tables below analyse the Group's financial liabilities into relevant maturity categories based on their. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	1,359.85	7,363.42	2,632.74	10,922.63	22,278.64
Trade payable	387.70	-	-	-	387.70
Deferred payment liability to concessions authorities	144.31	310.62	342.46	4,173.14	4,970.53
Other financial liabilities	83.51	-	-	-	83.51
Total	1,975.37	7,674.05	2,975.21	15,095.77	27,720.39

As at 31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including interest)	4,190.79	7,755.67	6,746.93	33,795.74	52,489.14
Trade payable	320.80	-	-	-	320.80
Deferred payment liability to concessions authorities	137.44	293.83	326.15	2,537.30	3,296.72
Other financial liabilities	152.58	-	-	-	152.58
Total	8,051.50	8,051.50	7,073.10	36,333.04	56,259.24

C) Market risk

a) Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	7,833.13	4,525.45
Fixed rate borrowing	6,933.73	18,742.99
Total borrowings under borrowings	14,766.86	23,268.43
Amount disclosed under current borrowings	225.00	2,007.63
Total Amount disclosed under non-current borrowings	14,541.86	21,260.80

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2023	As at 31 March 2022
Interest sensitivity*		
Interest rates - increase by 100 bps*	78.33	45.25
Interest rates - increase by 100 bps*	(78.33)	(45.25)

* Holding all other variables constant



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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

b) Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

D) Price risk

a) Exposure

The Group's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

b) Sensitivity

The table below summarises the impact of increase/decrease of the index on the Group's profit for the period :

Impact on profit before tax		
Particulars	As at 31 March 2023	As at 31 March 2022
Mutual Funds		
Net assets value – increase by 100 bps	6.49	21.52
Net assets value – decrease by 100 bps	(6.49)	(21.52)

42 Capital management

For the purpose of the Group's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group's policy is to keep the gearing ratio optimum. The Group includes within its net debt, borrowings less cash and cash equivalents.

Net Gearing Ratio

The net gearing ratio at the end of the year is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt*	16,201.68	24,828.91
Total equity (refer note 15 and 16)	4,381.66	388.66
Net debt to equity ratio	3.70	63.85

Net Debt*

Particulars	As at 31 March 2023	As at 31 March 2022
Non current borrowings	14,541.86	21,260.80
Current borrowings	225.00	2,007.63
Interest Accrued	2.49	
Other financial liabilities	1,781.45	1,026.30
Less: Cash and cash equivalents	(349.11)	(365.82)
Net debt	16,201.68	24,828.91

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43 Revenue from contracts with customers**1 Disaggregation of revenue**

Revenue recognised mainly comprises of revenue from toll collections, annuity with National Highways Authority of India ("NHAI"), contract revenue. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Description	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Revenue from operations		
(a) Change of scope and utility shifting expenses	50.92	50.43
(b) Toll income from Expressway	5,637.45	1,465.61
(c) Interest income on annuity receivable from National Highways Authority of India (NHAI)	183.75	55.54
(d) Revenue from operations and maintenance of road	280.23	61.37
(e) Modification gain on annuity	-	243.08
Total revenue	6,152.35	1,876.03

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2023 and 31 March 2022:

S.No.	Types of Products by Nature	Types of Services by timing	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Service	At the point of time	5,968.60	1,820.49
2	Service	Over the period of time	183.75	55.54
	Total Revenue		6,152.35	1,876.03

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at 31 March 2023	As at 31 March 2022
Contract assets		
Trade receivables	0.16	37.30
Receivables under service concession arrangements	1,136.25	1,944.23
Total	1,136.41	1,981.53
Contract liability		
Mobilisation advance from concession authority	-	-
Total	-	-

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognized upon satisfaction of Performance obligation. Trade Receivables are non-interest bearing and are generally due within 180 days except retention money held by the customer as per the terms and conditions of the contract. Basis the credit risk assessment done by the Group, there is no provision for expected credit losses required to be recognized on Trade Receivables. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

3 There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement with the contracted price under the Contract.

4 For movement in service concession arrangement, refer note 6 for financial asset model. There are no significant changes in other contract assets of the group.

5 Performance obligation**Income from toll collection**

The performance obligation in service of toll collection is recorded as per rates notified by concessions authorities and approved by management. Further, the payment of toll collection is generally due at the time of providing service.

Contract revenue

The performance obligation under service concession agreements ("SCA") is due on completion of work as per terms of SCA.

6 Significant changes in the contract liabilities balances during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Addition during the year	-	-
Revenue recognised during the year	-	-
Closing balance	-	-

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

7	Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date (In Years)	Construction Completion date under the concession agreement
	JPEPL	16 September 2013	15 September 2038	25.00	31 October 2014
	UEPL	16 October 2006	21 January 2027	20.26	23 July 2009
	GEPL	01 March 2011	28 February 2038	27.00	31 October 2013
	DBCPL	20 March 2008	02 December 2033	25.71	10 February 2009
	NBL	30 October 2007	29 October 2027	20.00	22 July 2009
	SEPL	07 February 2011	06 February 2026	15.00	28 February 2013

- i) The above BOT/DBFOT projects shall have following rights / obligations in accordance with the concession agreement entered into with the respective government authorities
- Right to use the specified assets
 - Obligations to provide provision of services to public
 - Obligations to deliver road assets at the end of concession period
- ii) The actual concession period may vary based on terms of the respective concession agreements.

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

44 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

I. Following are the related parties and transactions entered with related parties for the year ended 31 March 2023 and for the period ended 31 March 2022:

A. Related parties where control exists

Subsidiaries

Ulundurpet Expressways Private Limited
Nirmal BOT Limited
Godhra Expressways Private Limited
Dewas Bhopal Corridor Private Limited
Shillong Expressway Private Limited
Jodhpur Pali Expressway Private Limited

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSp

Ultimate holding entity

KKR & Co. Inc.

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

**With whom the Group had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (v) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C (ii)f or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust uptill 22 November 2022

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

A. Parties to Highways Infrastructure Trust

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Highway Concessions One Private Limited ("HC1")- Investment Manager of Trust (w.e.f 23 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (Upto 22 November 2022)
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (Upto 13 November 2022)
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

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

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited - Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd - Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)
Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)



Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

C. Directors of the parties to Highways InfraTrust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Mr. Cecilio Velasco (Director) (Upto 26 January 2022)
Mr. Tang Jin Rong (Director)
Mr. Madhura Narawane (Director) (w.e.f 26 January 2022)

(ii) Directors and KMP of Virescent Infrastructure Investment Manager Private Limited

Mr. Vinay Kumar Pabba, Director w.e.f 26 November 2021 till 01 February 2022
Mr. Pradeep Kumar Panja, Director
Mr. Sanjay Grewal, Wholetime Director
Mr. Akshay Jaitley, Independent Director
Mr. Hardik Bhadrak Shah, Director
Mr. Aditya Narayan, Independent Director
Ms. Daisy Devassy Chittilapilly, Independent Director
Ms. Charmi bhoot, Company Secretary and Compliance Officer

(iii) Directors of Virescent Renewable Energy Project Manager Private Limited

Mr. Sanjay Grewal, Director
Mr. Atul Raizada, Director

(iv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director
Mr. Rajesh Kumar Dahiya (Director)
Mr. Ganesh Sankaran (Director)

(v) Directors and KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrak Shah, Non-executive Director
Mr. Neeraj Sanghi, CEO (KMP), Whole time Director
Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)
Ms. Ami Vinoo Momaya, Non-executive Director
Mr. Subramanian Janakiraman, Independent Director (w.e.f 04 March 2022)
Mr. Manish Agarwal, Independent Director (from w.e.f 14 September 2022)
Ms. Kunjal Shah, Company Secretary and Compliance Officer
Mr. Narayanan Doraiswamy, Chief Financial Officer

(vi) Directors of HC One Project Manager Private Limited

Mr. Neeraj Sanghi, Director (w.e.f 20 September 2022)
Mr. Zafar Khan, Director (w.e.f 20 September 2022)

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Highways Infrastructure Trust

Disclosures pursuant to SEBI circulars (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
	(Audited)	(Refer note 50 and 51)
Galaxy Investment II Pte Ltd.		
Transaction during the period		
Proceeds from issue of Compulsory convertible debentures (CCD's)	-	7,978.14
Issue of unit capital	37,390.00	-
Interest on CCD's	444.70	312.13
Investment in CCD's	3,060.00	-
Investment in preference shares	545.10	-
Distribution to unit-holders^	5,426.28	-
Balance outstanding at the end of the period		
Unit capital	37,390.00	-
Investment in equity shares of subsidiaries	-	3,200.95
Optionally Convertible Debenture	-	7,978.14
Interest accrued on Optionally Convertible Debenture	-	312.13
Highway Concessions One Private Limited		
Transaction during the period		
Reimbursement of expenses	44.85	-
Corporate support management fees	247.43	51.24
Transfer out obligation as per actuarial for employee benefit	0.86	0.82
Repayment of loan	-	315.00
Interest of loan	-	0.31
Investment manager fees	109.25	-
Balance outstanding at the end of the period		
Trade and other payables	151.87	0.82
Transfer out obligation as per actuarial for employee benefit	-	-
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the period		
Reimbursement of expenses	71.25	-
Investment manager fees	2.36	-
Balance outstanding at the end of the period		
Investment manager fees payable	2.16	-
HC One Project Manager Private Limited		
Transaction during the period		
Project manager fees	53.55	-
Balance outstanding at the end of the period		
Advance payment of Project Manager Fees	1.92	-
Axis Trustee Services Limited		
Transaction during the year/period		
Trustee fees	0.83	-

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (ND CF) of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital and redemption of instruments



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

- IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 on audited consolidated financial statement for the year ended 31 March 2023 are as follows:

- A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

- B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

*During the financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs")

- B Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022. Refer note 48 for details with respect to business combination

- C No external financing has been obtained for acquisition of above subsidiaries.
D No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

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45 Information on segment reporting pursuant to Ind AS 106 - Operating Segments

The Group's primary business segment is reflected based on principal business activities carried on by the Group i.e. building, operating and management of road projects and all other related activities which as per Ind AS 108 on "Operating Segments" is considered to be the only reportable business segment. The Group derives its major revenues from operation and maintenance of highways. The Group is operating in India which is considered as a single geographical segment.

46 Group information

(a) Information about subsidiary

The Group's details as at 31 March 2023 is set out below. Unless otherwise stated, they have equity capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Country of incorporation	% equity interest*	
			As at 31 March 2023	As at 31 March 2022
DBCPIL	Construction and operation of road including toll collection/annuity collection	India	100.00%	NA
JPEPL		India	100.00%	NA
GEPL		India	100.00%	NA
UEPL		India	100.00%	NA
NBL		India	100.00%	NA
SEPL		India	100.00%	NA

* refer note 47(p)

47 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

Name of Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated comprehensive income
Parent	9,979.45	227.75%	839.91	245.60%	-	0.00%	839.91	244.95%
Highways Infrastructure Trust								
Subsidiary								
DBCPIL	471.45	15.32%	1,020.41	298.38%	0.05	5.58%	1,020.46	297.61%
	(1894.15)	(487.10%)	(238.00)	(53.08%)	(0.07)	(30.33%)	(238.07)	(53.12%)
NBL	(230.97)	(5.27%)	(243.95)	(71.37%)	(0.02)	(2.33%)	(243.97)	(71.15%)
	(322.75)	(83.00%)	(130.49)	(29.10%)	(0.02)	(9.26%)	(130.51)	(29.12%)
JPEPL	(1,052.44)	(44.56%)	(134.10)	(39.21%)	0.27	29.68%	(133.84)	(39.03%)
	(1436.30)	(369.36%)	(0.34)	(0.12%)	(0.08)	(33.80%)	(0.64)	(0.14%)
GEPL	(3,583.37)	(81.78%)	(630.10)	(184.25%)	0.39	43.52%	(629.71)	(183.65%)
	(2718.99)	(699.22%)	(123.80)	(27.61%)	(0.05)	(21.66%)	(123.75)	(27.61%)
UEPL	(651.39)	(14.87%)	(427.76)	(125.08%)	0.09	9.86%	(427.67)	(124.73%)
	(2,035.60)	(523.48%)	(82.76)	(18.46%)	(0.47)	(203.62%)	(82.29)	(18.36%)
SEPL	148.93	3.40%	(82.41)	(24.10%)	0.12	13.69%	(82.29)	(24.00%)
	(291.64)	(75.00%)	(120.39)	(26.85%)	(0.02)	(8.57%)	(120.41)	(26.87%)
Total	4,381.66	100.00%	341.99	100.00%	0.90	100.00%	342.89	100.00%
	(1388.86)	(100.00%)	(448.38)	(100.00%)	(0.23)	(100.00%)	(448.15)	(100.00%)

Note-1 Figures in [] brackets are previous year figures.

Note-2 Figures in () brackets are negative figures.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

48 Business Combination

a) Acquisitions of subsidiaries during the year ended 31 March 2023

Highways Infrastructure Trust ('the Trust') acquired the following companies ('Project SPV's) as at 23 August 2022 :

(b)

- Dewas Bhopal Corridor Private Limited
- (i) Nirmal BOT Limited
- (ii) Jodhpur Pali Expressway Private Limited
- (iii) Godhca Expressways Private Limited
- (iv) Ulundurpet Expressways Private Limited
- (v) Shillong Expressway Private Limited

During the current period, the Trust acquired the SPVs (as stated above) which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022 for an equity consideration of ₹ 31,715.33 millions. Galaxy Investments II Pte Limited had earlier acquired "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" on 17 December 2021 and "SEPL" on 13 January 2022.

Pursuant to IND AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and project SPV's are ultimately controlled by Galaxy Investments II Pte Limited both before and after the acquisition. Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Thus, the Trust has prepared comparative financial information for period 03 December 2021 to 31 December 2021 as if the acquisition had occurred on 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" and 13 January 2022 for "SEPL", irrespective of the actual date of the combination which is 23 August 2022 and the difference between the purchase consideration and the value of net identifiable assets acquired has been adjusted with the "Amalgamation Adjustment Deficit Account" in other equity.

Statement showing number of units allotted to Galaxy Investment II Pte. Ltd. ('sponsor') in exchange of control of (Project SPV's):

Name of SPVs	Description	Net Assets	Purchase consideration	Number of units allotted
UEPL	Units of the Trust	2,645.52	3,004.95	30,049,464
JPEPL	Units of the Trust	0.62	3,863.25	38,632,547
NBL	Units of the Trust	315.00	354.41	3,544,114
GEPL	Units of the Trust	233.81	11,167.09	111,670,920
DBCPL	Units of the Trust	1.00	12,969.36	129,693,587
SEPL	Units of the Trust	5.00	356.27	3,562,683
		3,200.95	31,715.33	317,153,315

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

- b) The details of recognised amounts of identifiable net assets of the business combination are as follows as at 17 December 2021 for "DBCPL", "NBL", "JPEPL", "GEPL" and "UEPL" and 13 January 2022 for "SEPL":

Particulars	DBCPL	GEPL	JPEPL	NBL	SEPL	UEPL	Total
Non-current assets							
Property, plant and equipment	18.16	9.94	17.03	10.21	2.56	13.36	71.26
Capital work-in-progress	-	-	15.37	-	-	-	15.37
Intangible assets	3,666.79	8,057.32	3,923.10	-	0.00	4,879.49	20,528.70
Financial assets							
Investment	-	306.00	-	-	-	-	306.00
Others	0.53	0.49	1.01	1,133.11	418.83	2.38	1,556.35
Deferred tax assets (net)	113.38	-	-	-	-	-	113.38
Non-current tax assets (net)	-	-	-	16.93	-	8.44	25.37
Other non-current assets	-	-	-	-	-	0.37	0.37
Total non-current assets	3,798.86	8,373.75	3,958.51	1,160.25	421.39	4,904.04	22,616.80
Current assets							
Financial assets							
Investments	927.46	-	64.87	150.61	240.11	575.57	1,958.62
Trade receivables	3.20	-	27.50	0.05	-	16.09	46.84
Cash and cash equivalents	8.89	486.26	5.21	0.95	2.75	10.22	514.28
Bank balances other than cash and cash equivalents above	233.50	138.32	242.65	14.47	505.74	394.92	1,529.60
Others	2.62	3.53	1.64	508.29	240.80	0.17	757.06
Other current assets	25.83	8.33	10.80	8.67	6.64	28.80	89.07
Current tax assets (net)	28.14	22.18	4.91	-	16.45	-	71.68
Total current assets	1,229.64	658.62	357.57	683.04	1,012.50	1,025.77	4,967.14
Total assets	5,028.50	9,032.37	4,316.08	1,843.29	1,433.89	5,929.81	27,583.94
EQUITY							
Other equity	1,655.08	(2,829.05)	(1,437.53)	(122.76)	166.23	(692.21)	(3,260.24)
Total equity	1,655.08	(2,829.05)	(1,437.53)	(122.76)	166.23	(692.21)	(3,260.24)
Non-current liabilities							
Financial liabilities							
Borrowings	2,759.60	3,995.59	2,503.96	1,063.30	444.79	2,930.79	13,698.03
Other financial liabilities	-	1,115.96	164.20	-	-	0.24	1,280.40
Provisions	2.00	23.65	4.52	0.39	0.82	242.38	273.76
Deferred tax liabilities (net)	-	861.37	142.62	-	-	-	1,003.99
Total non-current liabilities	2,761.60	5,996.57	2,815.32	1,063.69	445.60	3,173.41	16,256.49
Current liabilities							
Financial liabilities							
Borrowings	106.17	5,167.38	2,436.60	500.80	790.67	712.70	9,714.32
Trade payables							
Due to micro and small enterprises	-	-	-	0.08	-	-	0.08
Due to others	0.23	42.90	9.27	44.83	1.34	0.28	98.85
Other financial liabilities	58.03	302.18	78.97	36.95	24.87	61.80	562.80
Other current liabilities	1.83	1.24	1.46	0.31	0.11	3.96	8.91
Provisions	444.56	117.34	411.37	0.03	0.06	24.35	997.71
Current tax liabilities (net)	-	-	-	4.36	-	-	4.36
Total current liabilities	610.82	5,631.04	2,937.68	587.36	817.05	803.09	11,387.04
Total liabilities	3,372.42	11,627.61	5,752.99	1,651.05	1,262.65	3,976.50	27,643.22
Total equity and liabilities	5,027.50	8,798.56	4,315.47	1,528.30	1,428.88	3,284.29	24,382.99
Net assets acquired	1.00	233.81	0.62	315.00	5.00	2,645.52	3,200.95

c) Calculations of Amalgamation Adjustment Deficit

Particulars	DBCPL	GEPL	JPEPL	NBL	SEPL	UEPL	Total
Purchase consideration	12,969.36	11,167.09	3,863.25	354.41	356.27	3,004.95	31,715.33
Less: Net assets acquired	1.00	233.81	0.62	315.00	5.00	2,645.52	3,200.95
Amalgamation Adjustment Deficit	12,968.36	10,933.28	3,862.64	39.42	351.27	359.43	28,514.38

The above numbers have been calculated using the Project SPVs Special Purpose financial statement for the period 01 April 2021 to 17 December 2021, (in case of all SPVs except SEPL) and 13 January 2022 (in case of SEPL)



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions, except ratios)

49 Financial ratios

Sl.No.	Particulars	Numerator	Denominator	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022	% Changes*	Remarks
				Ratio	Ratio		
(a)	Current ratio (in times)	Current assets	Current liabilities	2.47	1.68	-47%	Increase in ratio mainly due to repayment of current portion of borrowings and redemption/withdrawal of investment during the current year.
(b)	Debt equity ratio (in times)	Non-current borrowings + Current borrowings	Total equity	3.37	59.84	-94%	Decrease in ratio is mainly due to increase in Unit capital on account of Issue of Units of the trust during the current year.
(c)	Debt service coverage ratio (in times)	Profit before tax, finance costs	Finance costs + Principal repayment for borrowings	0.20	0.40	-50%	Decrease in ratio is mainly due to increase in finance cost in comparison to preceding period.
(d)	Return on equity ratio (in %)	Net profit after tax	Average of total equity	0.14	2.31	-94%	Decrease in ratio is mainly due to increase in Unit capital on account of Issue of Units of the trust during the current year.
(e)	Inventory turnover ratio (in times)**	Cost of material consumed	Average inventory	NA	NA	0%	Not applicable.
(f)	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	328.47	100.50	227%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year revenue pertains to entire 12 months.
(g)	Trade payables turnover ratio (in times)	Other expenses	Average trade payables	4.97	2.33	114%	The increase is because in the comparative period other expenses is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year other expenses pertains to entire 12 months.
(h)	Net capital turnover ratio (in times)	Revenue from operations	Working capital [current assets - current liabilities]	3.20	0.84	283%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year revenue pertains to entire 12 months.
(i)	Net profit ratio (in %)	Profit after tax	Revenue from operations	5.56%	23.90%	-77%	The decline is because of decrease in profits during the year, majorly due to modification loss on annuity on account of change in estimates and increase other expenses of the Trust.
(j)	Return on capital employed (in %)	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.19	0.06	225%	The increase is because in the comparative period revenue from operations is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year earnings before depreciation and amortization, interest and tax pertains to entire 12 months.
(k)	Interest service coverage ratio (in times)	Profit before tax, finance costs, exceptional items and	Finance cost	1.97	1.99	-1%	Not required, since the changes in ratio is below threshold limit of 25%.
(l)	Net worth	Unit capital + Other equity		4,381.66	388.86	1027%	The change is due to issue of unit capital to unitholders pursuant to acquisition of subsidiaries by Trust.
(m)	Return on investment (in %)						
	- On mutual funds	Income generated from mutual fund investments	Time weighted average investments	0.09	0.03	219%	The increase is because in the comparative period income from mutual funds is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year income from mutual funds pertains to entire 12 months.
	- On fixed deposits	Income generated from investments	Time weighted average investments	0.06	0.02	182%	The increase is because in the comparative period income on fixed deposits is taken from 03 December 2021 to 31 March 2022 i.e. from the date on which Trust was formed whereas the current year income on fixed deposits pertains to entire 12 months.

Notes:

* The change in ratio is less than 25% as compared to previous year and hence, no explanation required.

** The Group does not have any Inventory, Therefore, Inventory turnover ratio is not applicable.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

- 50 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019. Accordingly, the financial information for the corresponding period in immediately preceding financial year ended 31 March 2023 is given from from 03 December 2021 to 31 March 2022.
- 51 The consolidated financial information for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 as reported in these consolidated financial statement have been certified by the Investment Manager of the Trust and are not subject to audit or review.
- 52 The Board of Directors of the Investment Manager have declared distribution of ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,010.00 millions, ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,009.98 millions and ₹ 4.8376 (rounded off) per unit amounting to ₹ 2,010.02 millions in their meeting held on 11 November 2022, 08 February 2023 and 08 March 2023 respectively and the aforesaid distribution was paid to eligible unitholders on 19 November 2022, 15 February 2023 and 18 March 2023 respectively. Subsequent to year end 31 March 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023.
- 53 During the current year ended 31 March 2023, pursuant to the approval dated 22 November 2022 granted by the Securities and Exchange Board of India ("SEBI") and the approval of the unitholders of the Trust as required under Regulation 9(15) of the InvIT Regulations obtained from the unitholders in the extraordinary general meeting held on 14 November 2022, Highway Concessions One Private Limited ("HC 1") and HC One Project Manager Private Limited ("HC One") was appointed as the new Investment Manager and Project Manager of the Trust respectively in place of Virescent Infrastructure Investment Manager Private Limited ("erstwhile Investment Manager") and Virescent Renewable Energy Project Manager Private Limited ("erstwhile Project Manager"). The appointment of the new Investment Manager was also approved by the Board of erstwhile Investment Manager of the Trust vide its circular Resolution dated 19 October 2022. Consequently, Highway Concessions One Private Limited and HC One Project Manager Private Limited have been acting as the new Investment Manager and Project Manager of the Trust effective from 23 November 2022 and 14 November 2022 respectively.
- 54 During the current year ended 31 March 2023, three of the project SPV's Viz. GEPL, DBCPL and UEPL has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPV's which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's. The final order for approving the capital reduction scheme in DBCPL was received on 27 February 2023 however, final order for approving the capital reduction scheme is awaited in GEPL and UEPL. Accordingly, the necessary impacts on account of capital reduction in DBCPL have been considered in these audited consolidated financial statements for the year ended 31 March 2023.
- 55 **Project manager and Investment manager fees**
- (i) **Project management fees**
Pursuant to the Project Management Agreement dated 08 August 2022 with the erstwhile Project Manager i.e Virescent Renewable Energy Project Manager Private Limited, Project Manager was entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis to be borne by the project SPV's, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ Nil (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) towards project manager fees paid to Virescent Renewable Energy Project Manager Private Limited who was Project Manager till 13 November 2022. Subsequently pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis, or on such other shorter basis as may be mutually agreed, to be borne by the project SPV's, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated financial statement for the year ended 31 March 2023 includes amount of ₹ 53.55 Million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) toward project manager fees paid to HC One Project Manager Limited who is appointed as Project Manager w.e.f 14 November 2022.
- (ii) **Investment management fees**
Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ 2.36 Million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the Investment Manager i.e Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the project SPV's, for the performance of Vehicles of the InvIT ("SPV's") in the proportion of 20:80. Amongst the SPV's, the Fees would be allocated as mutually agreed with the SPV's. Consolidated financial statements for the year ended 31 March 2023 includes amount of ₹ 109.25 million (for the period from 03 December 2021 to 31 March 2022: ₹ Nil) towards Investment Manager Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.
- 56 **Other statutory information**
- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Group have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended 31 March 2023.
- (iii) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Trust (Unlimited Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Trust (Unlimited Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Group does not have any transactions with struck - off companies.
- (vii) The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.
- 57 The consolidated financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on 19 May 2023



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

- 58 All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.
- 59 Previous year figures have been reclassified/re-grouped wherever necessary to confirm to current year classification. The impact of the same is not material to the user of the consolidated financial statements

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



Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023



Kunjal Shah
Compliance officer
ACS No. A27382

Place: Mumbai
Date: 19 May 2023

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



Neeraj Sanghi
Whole time director and CEO
DIN: 05110400

Place: Mumbai
Date: 19 May 2023



Narayana Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023



Independent Auditor's Report

To the Unitholders of Highways Infrastructure Trust

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Highways Infrastructure Trust ('the Trust'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Unit Holders equity for the year then ended, the Standalone Statement of Net Assets at Fair Value as at 31 March 2023, the Standalone Statement of Total Returns at Fair Value and the Standalone Statement of Net Distributable Cash Flows for the year then ended, and notes to the standalone financial statements, including and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in the Rule 2(1)(a) of the companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in unitholder's equity for the year ended on that date, the net assets at fair value as at 31 March 2023, the total returns at fair value and net distributable cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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



Walker Chandiook & Co LLP

Independent Auditor's report of even date to the Unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2023 (cont'd)

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

Key audit matter	How our audit addressed the key audit matter
<p>A. Impairment assessment of non-current investments in and loans given to subsidiaries</p> <p>Refer note 2B(f) for significant accounting policies and note 3, 4, 6, 9 and note 22 of the standalone financial statements of the Trust for the year ended 31 March 2023.</p> <p>The Trust has aggregate investment (net) in equity instruments of subsidiaries of ₹ 29,056.38 millions carried at cost in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27'), investment in preference shares and optionally convertible debentures (OCDs) aggregating to ₹ 7,395.59 millions carried at amortised cost in accordance with IND AS 109, Financial Instruments ('Ind AS 109') and loans given to subsidiaries amounting to ₹ 12,456.86 millions outstanding as at 31 March 2023. The Trust has assessed impairment of these investments and loans since recoverability of the investments and loans is significantly dependent upon valuations of the assets held and cash flow projections of these investee companies.</p> <p>The recoverable amount of the aforesaid investments in subsidiaries has been determined by the management using discounted cash flow ('DCF') valuation method. The key assumptions underpinning management's assessment of the recoverable amounts includes but are not limited to projections of future cash flows, revenue growth rates, external market conditions and the discount rates, which involves estimation and significant management judgment.</p> <p>Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the carrying value of such assets.</p>	<p>Our key procedures included, but were not limited to, the following:</p> <ol style="list-style-type: none"> Obtained an understanding of the Trust's policies and procedures to identify impairment indicators for investments and loans, and process for fair valuation of investments and loans; Evaluated the design of key controls implemented for identification of impairment indicators, and for fair valuation of investments and loans including controls around cash flow projections; Verified underlying supporting documents for all significant investments made during the year to ensure that the transaction have been accurately recorded in the standalone financial statements in accordance with Ind AS 27 and Ind AS 109, as applicable; Involving an auditor's valuation expert, assessed the appropriateness of the valuation methodology and assumptions used by management's valuation expert in determining the recoverable amount/fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of the management's experts involved in the process; Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs); Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in relation to impairment of non-current investments in and loans given to subsidiaries.



Walker Chandiook & Co LLP

Independent Auditor's report of even date to the Unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2023 (cont'd)

Key audit matter	How our audit addressed the key audit matter
Accordingly, considering the materiality, complexity and significance of judgement involved, impairment assessment of investments in and loans given to subsidiaries has been considered as a key audit matter for the current year audit.	
<p>B. Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value ("the statements") as per SEBI regulations</p> <p>Refer statement disclosed in the accompanying standalone financial statements pursuant to SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI Regulations, which requires fair valuation of the net assets and total returns of the Trust carried out by an independent valuer appointed by the Trust.</p> <p>For the above purpose, fair value is determined by the management using discounted cash flow ("DCF") valuation method which involves significant management judgement in respect of various estimates used as inputs such as determination of future cash flows, discount rates, revenue growth rates, inflation rates, tax rates, amongst others. The determination of fair value involves judgement due to inherent high estimation uncertainty in the underlying assumptions.</p> <p>Considering the importance of the disclosure required under the SEBI Regulations to the users of the standalone financial statements, significant management judgement involved in determining the fair value of the assets of the Trust, the aforesaid computation and disclosure has been considered as a key audit matter for the current year audit.</p>	<p>Our key procedures included, but were not limited to, the following:</p> <ol style="list-style-type: none"> Obtained an understanding of regulatory requirements by reading the requirements of SEBI Regulations along with the relevant SEBI circulars, pursuant to which the Statements are prepared by the Investment Manager of the Trust; Obtained an understanding of the Trust's policies and procedures adopted by the Investment Manager for computation and disclosure of the Statements; Involving an auditor's expert, assessed the appropriateness of the valuation methodology and assumptions applied by management's valuation expert in determining the fair value such as weighted average cost of capital (in particular, the underlying parameters such as risk-free return, market return, risk premium and beta). We also evaluated the objectivity, independence, experience, and competency of the management's experts involved in the process; Assessed the reasonableness of the key assumptions and appropriateness of the key drivers of the cash flow forecasts as approved by the Investment Manager considered in aforesaid valuations (in particular, revenue projections based on the independent expert's traffic study report, routine maintenance projections and growth of recurring operating and capital expenditure amongst other inputs). Discussed and evaluated potential changes in key drivers as compared to previous period / actual performance with management to test consistency and historical accuracy of such assumptions used in cash flow forecasts; Evaluated management's assumptions by performing sensitivity analysis around the key assumptions to ascertain estimation uncertainty involved; Tested arithmetic accuracy of cash flows projections and sensitivity analysis; and Evaluated the appropriateness and adequacy of disclosures for compliance with the relevant requirements of SEBI regulations.



Walker Chandiook & Co LLP

Independent Auditor's report of even date to the Unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2023 (cont'd)

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

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

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

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

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

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

7. The accompanying standalone financial statements have been approved by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager of the Trust'). The Investment Manager is responsible for the matters with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, changes in unitholders' equity, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with accounting principles generally accepted in India including the Ind AS and SEBI Regulations read with the SEBI Circular and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the standalone financial statements, the Board of Directors of Investment Manager are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of Investment Manager either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors of Investment Manager are also responsible for overseeing the Trust's financial reporting process.

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

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



Walker ChandioK & Co LLP

Independent Auditor's report of even date to the Unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2023 (cont'd)

11. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager;
 - Conclude on the appropriateness of Board of Directors of Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Walker Chandiok & Co LLP

Independent Auditor's report of even date to the Unitholders of Highways Infrastructure Trust on the standalone financial statements for the year ended 31 March 2023 (cont'd)

Other Matter

15. The standalone financial statements of the Trust for the period from 03 December 2021 to 31 March 2022 and as at 31 March 2022 included as comparative financial information in the accompanying standalone financial statements have been certified by the Board of Directors of Investment Manager, but have not been subjected to either audit or review

Report on Other Legal and Regulatory Requirements

16. Based on our audit and as required by the SEBI Regulations, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) the Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust; and
 - c) in our opinion, the aforesaid standalone financial statements comply with Ind AS and/or any addendum thereto as defined in Rule 2(1a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish

Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYERQ8879



Place: Mumbai

Date: 19 May 2023

Highways Infrastructure Trust
Standalone Balance Sheet as at 31 March 2023
 (All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Financial assets			
Investments	3	36,159.46	-
Loans	4	11,450.25	-
Non-current tax assets (net)	5	1.16	-
Total non-current assets		47,610.87	-
Current assets			
Financial assets			
Investments	6	292.52	-
Cash and cash equivalents	7	265.54	-
Bank balances other than cash and cash equivalents above	8	976.43	-
Loans	9	1,006.61	-
Other current assets	10	3.02	-
Total current assets		2,544.12	-
Total assets		50,154.99	-
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	11	41,550.00	-
Other equity	12	(5,715.12)	-
Total equity		35,834.88	-
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	13	14,024.18	-
Total non-current liabilities		14,024.18	-
Current liabilities			
Financial liabilities			
Borrowings	14	225.00	-
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	15	1.54	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	50.49	-
Other financial liabilities	16	2.49	-
Other current liabilities	17	16.41	-
Total current liabilities		295.93	-
Total liabilities		14,320.11	-
Total equity and liabilities		50,154.99	-

Summary of significant accounting policies 2B

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

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

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


Manish Agrawal
 Partner
 Membership No.: 507000

Place: Mumbai
 Date: 19 May 2023

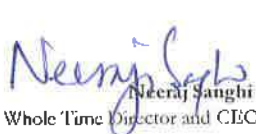

Kunjal Shah
 Compliance officer
 Membership No.: A27382

Place: Mumbai
 Date: 19 May 2023

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


Narayan Doraiswamy
 Chief Financial Officer

Place: Mumbai
 Date: 19 May 2023


Neeraj Sanghi
 Whole Time Director and CEO
 DIN: 05110400

Place: Mumbai
 Date: 19 May 2023



Highways Infrastructure Trust
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	Note	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Income and gains			
Revenue from operations			
Dividend income from subsidiaries (refer note 31)		1,642.21	-
Interest income on loans from subsidiaries	18	1,581.93	-
Other income			
Interest on fixed deposits		42.75	-
Total income and gains		3,266.89	-
Expenses and losses			
Finance costs			
Interest on term loan and non convertible debentures	19A	584.13	-
Other finance costs	19B	0.57	-
Valuation expenses		1.78	-
Audit fees	20	17.38	-
Investment manager fees	37	24.87	-
Trustee fees		2.69	-
Rating fee		0.49	-
Legal and professional fees		129.33	-
Other expenses	21	16.33	-
Total expenses and losses		777.57	-
Profit before exceptional items and tax for the year/period		2,489.32	-
Exceptional items	22	2,044.59	-
Profit before tax for the year/period		444.73	-
Tax expense			
Current tax	24	18.27	-
Deferred tax		-	-
Total tax expense		18.27	-
Net profit for the year /period		426.46	-
Other comprehensive income		-	-
Total other comprehensive income for the year/period		-	-
Total comprehensive income for the year/period		426.46	-
Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)			
Basic (₹)	25	1.70	-
Diluted (₹)	25	1.70	-

Summary of significant accounting policies

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

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023

Kunjal Shah

Compliance officer

Membership No: A27382

Place: Mumbai

Date: 19 May 2023

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Narayanan Doraiswamy

Chief Financial Officer

Place: Mumbai

Date: 19 May 2023

Neeraj Sanghi

Whole Time Director and CEO

DIN:05110400

Place: Mumbai

Date: 19 May 2023



Highways Infrastructure Trust
Standalone Cash Flow Statement for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
A. Cash flows from operating activities		
Profit before tax	444.73	-
Adjustments for:		
Interest on compulsory convertible debentures ("CCD'S")	(357.06)	-
Interest on rupee term loan ("RTL")	(923.98)	-
Interest on optionally convertible debenture ("OCD'S")	(300.89)	-
Dividend income from subsidiaries	(1,642.21)	-
Exceptional items (refer note 22)	2,044.59	-
Interest income on bank deposits	(42.75)	-
Loss on reduction of investment in equity	14.22	-
Finance costs	584.70	-
Operating loss before working capital changes and other adjustments	(178.64)	-
Working capital changes and other adjustments:		
Financial and other assets		
Other current assets	(3.02)	-
Trade payables	52.05	-
Other financial liabilities	2.49	-
Other current liabilities	16.41	-
Cash used in operating activities post working capital changes	(110.71)	-
Income tax paid (net)	(19.43)	-
Net cash used in operating activities (A)	(130.14)	-
B. Cash flows from investing activities		
Loan given to subsidiaries	(13,606.74)	-
Investment in CCD's of subsidiaries	(3,060.00)	-
Proceeds from loan given to subsidiaries	1,773.52	-
Proceeds from redemption of OCD's of subsidiaries	1,091.93	-
Investment in bank deposits	(976.43)	-
Investment in preference shares of subsidiary	(545.10)	-
Redemption of preference shares	272.55	-
Interest received on OCD's and CCD's	1,177.64	-
Dividend received from subsidiaries	1,642.21	-
Interest received on rupee term loan	900.47	-
Interest received on bank deposits	42.75	-
Net cash used in investing activities (B)	(11,287.21)	-
C. Cash flows from financing activities		
Proceeds from issuance of units	4,160.00	-
Proceeds from borrowings	14,469.03	-
Repayment of borrowings	(112.50)	-
Processing fees	(118.89)	-
Unit issue expenses	(111.58)	-
Distribution made to unit-holders	(6,030.00)	-
Interest paid	(573.17)	-
Net cash flow from financing activities (C)	11,682.89	-
D Net increase in cash and cash equivalent (A+B+C)	265.54	-
E Cash and cash equivalent at the beginning of the year		-
Cash and cash equivalent at the end of the year (D+E) (refer note 7)	265.54	-

Note:

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

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

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

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023



Kunjal Shah

Compliance officer

Membership No: A27382

Place: Mumbai

Date: 19 May 2023



For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Narayanan Doraiswamy

Chief Financial Officer

Place: Mumbai

Date: 19 May 2023

Neeraj Sanghi

Whole Time Director and CEO

DIN:05110400

Place: Mumbai

Date: 19 May 2023

Highways Infrastructure Trust
Standalone Statement of Changes in Unit Holders' equity for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

A Unit capital*

Particulars	Number of units	Amount
Balance as at 03 December 2021	-	-
Changes in unit capital	-	-
Balance as at 31 March 2022	-	-
Changes in unit capital	415,500,000	41,550.00
Balance as at 31 March 2023	415,500,000	41,550.00

B Other equity**

Particulars	Retained earnings	Total
Balance as at 03 December 2021	-	-
Net profit for the period	-	-
Other comprehensive income	-	-
Balance as at 31 March 2022	-	-
Net profit for the year	426.46	426.46
Other comprehensive income	-	-
Total comprehensive income for the year	426.46	426.46
Less: Distribution to unit holders^	(6,030.00)	(6,030.00)
Less: Formation and issue expenses^^	(111.58)	(111.58)
Balance as at 31 March 2023	(5,715.12)	(5,715.12)

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations and includes interest, dividend and repayment of capital.

^^ Formation and issue expenses are one time expenses incurred in relation to the formation of the Trust

* Refer note 11

** Refer note 12

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

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

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

Manish Agrawal

Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023



Kunj Shah
Kunj Shah
Compliance officer
Membership No: A27382

Place: Mumbai
Date: 19 May 2023

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

Narayanan Doraiswamy
Narayanan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023



Neeraj Sanghi
Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023

Highways Infrastructure Trust

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations with read SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)


Statement of Net Distributable Cash Flows

S. No.	Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
1	Net Distributable Cash Flows of the Project Entities		
	a) in the form of interest / accrued interest / additional interest	2,078.10	-
	b) in the form of dividend	1,893.32	-
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Trust	3,264.77	-
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	294.45	-
2	Cash flows from additional borrowings (including debentures / other securities), fresh issuance of units, etc.	18,629.03	-
3	Any other income accruing at the Highways Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest / return on surplus cash invested by the Highways Trust	42.75	-
	Total cash inflow at the InvIT level (A)	26,202.42	-
	Adjustments:		
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(889.75)	-
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(116.10)	-
6	Income tax (if applicable) for standalone Highways Trust and / or payment of other statutory dues	(18.27)	-
7	Repayment of third-party debt (principal) / redeemable preference shares / debentures, etc., net of any debt raised by refinancing of existing debt	(112.50)	-
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(976.43)	-
9	Amount invested in any of the Project SPVs for service of debt or interest	(17,211.84)	-
10	Any provision or reserve deemed necessary by the Investment Manager for expenses / liabilities which may be due in future	(146.33)	-
	Total adjustments at the Trust level (B)	(19,471.22)	-
	Net Distributable cash flows (C)=(A+B)	6,731.20	-


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

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

For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/NS00013


Manish Agrawal
Partner
Membership No.: 507000

Place: Mumbai
Date: 19 May 2023


Kunjal Shah
Compliance officer
Membership No.: A27382

Place: Mumbai
Date: 19 May 2023

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


Narayan Doraiswamy
Chief Financial Officer

Place: Mumbai
Date: 19 May 2023


Neeraj Sanghi
Whole Time Director and CEO
DIN:05110400

Place: Mumbai
Date: 19 May 2023



Highways Infrastructure Trust

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations with read SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Standalone Statement of Net Assets at Fair Value

Particulars	As at 31 March 2023		As at 31 March 2022	
	Book value	Fair value [^]	Book value	Fair value ^{**}
A. Assets	50,154.99	53,258.18	-	-
B. Liabilities (at book value)	14,320.11	14,320.11	-	-
C. Net assets (A-B)	35,834.88	38,938.07	-	-
D. No of units (in millions)	415.50	415.50	-	-
E. NAV (C/D)	86.25	93.71	-	-

[^] Fair values of total assets relating to the Trust as at 31 March 2023 as disclosed above are based on the fair valuation report of the independent valuer appointed by the Trust.

Standalone Statement of Total Return at Fair Value:

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022 ^{**}
Total comprehensive income for the year (As per the Standalone Statement of Profit and Loss)	426.46	-
Add: Other changes in fair value for the year *	3,103.19	-
Total return	3,529.65	-

*In the above statement, other changes in fair value for the year ended 31 March 2023 has been computed as difference between book value of total assets as at 31 March 2023 and the fair value of total assets as at 31 March 2023 which is based on the valuation report of the independent valuer appointed by the Trust.

^{**} The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/InvIT/21-22/0019. The Trust allotted units to sponsor on 22 August 2022 pursuant to private placement of units of the Trust, hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31 March 2022 and from the period from 03 December 2021 to 31 March 2022 is not given.

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

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

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Manish Agrawal

Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023

Kunjal Shah

Kunjal Shah

Compliance officer

Membership No: A8978

Place: Mumbai

Date: 19 May 2023

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)

Narayanan Doraiswamy

Narayanan Doraiswamy

Chief Financial Officer

Place: Mumbai

Date: 19 May 2023

Neeraj Sanghi

Neeraj Sanghi

Whole Time Director and CEO

DIN:05110400

Place: Mumbai

Date: 19 May 2023



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. Trust Information

The Trust is an irrevocable trust settled by Galaxy Investment II Pte. Ltd (hereinafter referred as "Sponsor") on 03 December 2021 pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulation 2014 as amended from time to time ("SEBI Regulations"). The Trustee of the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment manager for the Trust was Virescent Infrastructure Investment Manager Private Limited till 22 November 2023 and with effect from 23 November 2023 the same is Highway Concessions One Private Limited (the "Investment Manager")

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

During the current year ended 31 March 2023, the Trust acquired 100% equity control in following Project SPVs from the Sponsor w.e.f. 23 August 2022. The SPV's have entered into concession agreements with various authorities (given below) to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Name of Project SPV	Extent of Control as at 31 March 2023	Date of incorporation	Principal place of business	Commencement of operation	Authority
Ulundurpet Expressways Private Limited ("UEPL")	100%	20 March 2006	Tamil Nadu	23 July 2009	National Highways Authority of India (NHAI)
Shillong Expressway Private Limited ("SEPL")	100%	09 June 2010	Meghalaya	28 February 2013	National Highways Authority of India (NHAI)
Jodhpur Pali Expressway Private Limited ("JPEPL")	100%	10 January 2013	Rajasthan	31 October 2014	Public Works Department (PWD) Rajasthan
Godhra Expressways Private Limited ("GEPL")	100%	21 January 2010	Gujarat	31 October 2013	National Highways Authority of India (NHAI)
Dewas Bhopal Corridor Private Limited ("DBCPL")	100%	14 May 2007	Madhya Pradesh	10 February 2009	Madhya Pradesh Road Development Corporation Limited (MPRDC)
Nirmal Bot Limited ("NBL")	100%	19 September 2006	Telangana	22 July 2009	National Highways Authority of India (NHAI)

The address of the registered office of the Investment Manager is Unit no.316-317,3rd Floor, C Wing, Kanakia Zillion BKC Annex, Kurla West, Mumbai, MH -400070. The standalone financial statements were authorized for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 19 May 2023



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

2A. Standards issued but not yet effective

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information need not be disclosed. If it is disclosed, it should not obscure material accounting information. The Trust is evaluating the requirement of the said amendment and its impact on these standalone financial statements.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques. The Trust is evaluating the requirement of the said amendment and its impact on these standalone financial statements.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities. The Trust is evaluating the requirement of the said amendment and its impact on these standalone financial statements.

2B. Summary of significant accounting policies

a. Overall consideration

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements of the Trust have been prepared in accordance with the Indian Accounting Standards and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ('Ind AS') and Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 as amended from time to time ('SEBI Regulations') including SEBI Circular CIR/IMD/DF/127/2016 dated 29 November 2016 and continuous disclosure requirements specified under paragraph 5.1 and 5.2.1 of the SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 for issuance of debt securities by Infrastructure Investment Trusts (InvITs) (hereinafter collectively referred to as 'SEBI Circulars'). The Trust has uniformly applied the accounting policies during the periods presented.

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

These Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

cost basis except for certain financial assets and financial liabilities, which are measured at fair values as explained in relevant accounting policies.

The standalone financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors of Highway Concessions One Private Limited (the 'Investment Manager' of the Trust) on 19 May 2023. The revision to the financial statements is permitted by the Board of Directors of the Investment Manager after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act 2013 ("Act").

b. Use of estimates and judgements

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

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

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

i. Provisions and liabilities

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

ii. Evaluation of indicators for impairment of assets

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

iii. Recoverability of loans/ receivables

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

iv. Contingent liabilities

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

v. Impairment of investments, loans, optionally convertible debentures and preference shares

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



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

vi. Useful lives of depreciable / amortizable assets

Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

vii. Fair value measurements

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

viii. Income taxes

The Trust's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

c. Basis of classification as current and non-current

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

An asset is current when it is:

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

All other assets have been classified as non-current.

A liability is current when:

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

The Trust classifies all other liabilities as non-current.

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

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

d. Revenue recognition

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

The specific recognition criteria described below must also be met before revenue is recognized :



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividend Income

Income from dividend is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

e. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Trust and the same taxation authority.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

f. Impairment of non-financial assets

At each reporting date, the Trust assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, an estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate.

g. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Trust; or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized

h. Investments in subsidiaries

The Trust accounts for its investments in equity share capital of subsidiaries at cost less accumulated impairment losses, if any in accordance with Ind AS 27, Separate Financial Statements ('Ind AS 27') and investment in preference shares optionally convertible debentures (OCD's) at amortized cost in accordance with Ind AS 109 "Financial Instruments".

i. Financial Instruments

Initial recognition and measurement

Financial instruments are recognised when the Trust becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

i. Financial assets at amortised cost- A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Trust has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j. Fair value measurement

The Trust measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 28 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as investments, where required. Involvement of external valuers is decided by the Trust on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The Trust after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Trust analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the Trust verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of Statement of Net Assets at fair value and Statement of Total Returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 28)
- Financial instruments (including those carried at amortized cost) (note 29).

k. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Trust applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Trust in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Trust is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

l. Segment reporting

The Trust is engaged in investment in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Trust's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

m. Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o. Contributed equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

p. Classification of Unitholders' fund

Under the provisions of the SEBI InvIT Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation.

However, in accordance with SEBI Circulars (No. CIR/IMD/DF/1 14/2016 dated 20 October 2016 and No. CIR/IMDDF/127/2016 dated 29 November 2016) issued under the SEBI InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

q. Distribution to unit holders

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

r. Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

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	As at 31 March 2023	As at 31 March 2022
3 Non-current investments		
Investment in equity instruments (unquoted, at cost)[^]		
Investment in related parties (refer note 31)		
264,552,365 (31 March 2022: Nil) equity shares of UIEPL of face value ₹ 10/- each	3,004.95	-
31,500,000 (31 March 2022: Nil) equity shares of NBL of face value ₹ 10/- each	354.41	-
23,380,840 (31 March 2022: Nil) equity shares of GEPL of face value ₹ 10/- each	11,167.09	-
95,263 (31 March 2022: Nil) equity shares of DBCPL of face value ₹ 10/- each *	12,355.00	-
500,000 (31 March 2022: Nil) equity shares of SEPL of face value ₹ 10/- each	356.27	-
61,640 (31 March 2022: Nil) equity shares of JPEPL of face value ₹ 10/- each	3,863.25	-
Investment in Optionally Convertible Debentures unquoted, at cost[#]		
Investment in related parties (refer note 31)		
50,941,358 (31 March 2022: Nil) OCD's of GEPL of face value ₹ 88.97/- each **	4,586.36	-
23,338,315 (31 March 2022: Nil) OCD's of JPEPL of face value ₹ 100/- each **	2,516.72	-
	38,204.05	-
Less: Impairment of non-current investments	2,044.59	-
	36,159.46	-
Aggregate amount of unquoted investments	36,159.46	-
Aggregate amount of impairment in the value of investments	2,044.59	-

[^] Investments in subsidiaries are stated at cost using the exemption provided as per Ind AS 27 'Separate Financial Statements'.

*The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of DBCPL on 23 February 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statements of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognized in the statement of profit or loss of the standalone financial statement of the Trust.

** Includes interest accrued of ₹ 54.11 millions in GEPL and ₹ 183.02 millions in JPEPL.

These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".

Notes:

- (i) For assets pledged as security, refer note 23.
(ii) During the financial year ended 31 March 2023, the compulsory convertible debentures (CCD) has been converted into optional convertible debentures (OCD) having a term of 30 years from the original date of issue. The outstanding OCD shall earn coupon at the rates of 14% p.a. payable annually or as may be mutually agreed between holder and issuer.

	As at 31 March 2023	As at 31 March 2022
4 Non-current loans		
Loans receivables considered good - Secured		
Loan to related parties (refer note 31)		
UIEPL	321.86	-
NBL	915.08	-
GEPL	4,037.42	-
DBCPL	2,440.94	-
JPEPL	2,514.81	-
Loans receivables considered good - Unsecured		
Loan to related parties (refer note 31)		
JPEPL	350.00	-
UIEPL	70.00	-
DBCPL (refer note (iii) below)	600.14	-
Total	11,450.25	-

Notes:

- (i) Refer note 28 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 29 - Financial risk management for assessment of expected credit losses.
(ii) For assets pledged as security, refer note 23.
(iii) The National Company Law Tribunal (NCLT) has approved the capital reduction scheme of DBCPL on 23 February 2023. As per the NCLT order, the paid-up equity share capital of DBCPL will be reduced from 100,000 equity shares of ₹10/- each to 95,263 equity shares of ₹ 10/- each. The aforesaid share capital reduction was made at fair market valuation of equity shares of DBCPL, and the said consideration is presented as loan given to subsidiary in the standalone financial statements of Highways Infrastructure Trust pursuant to the capital reduction scheme. The resultant difference between carrying amount of investment and fair value of loan has been recognized in the statement of profit or loss of the standalone financial statement of the Trust.

	As at 31 March 2023	As at 31 March 2022
5 Non-current tax assets (net)		
Advance income tax (net of provisions)	1.16	-
	1.16	-
6 Investments - Current		
Investment in preference shares unquoted, at cost[^]		
Preference shares of SEPL	272.55	-
Investment in Optionally Convertible Debentures (OCD's), at cost[^]		
2,190,493 OCD's of UIEPL of face value Rs. 4.56/-	9.99	-
3,311,246 OCD's of NBL of face value Rs. 3.02/-	9.98	-
	292.52	-

[^] These are measured at amortised cost in accordance with Ind AS 109 "Financial Instruments".



	As at 31 March 2023	As at 31 March 2022
7 Cash and cash equivalents		
Balances with banks:		
- in current accounts	2.09	-
- deposits with original maturity less than three months*	263.45	-
	265.54	-
* Includes interest accrued but not due		
Notes:		
(i) For assets pledged as security, refer note 23.		
8 Bank balances other than cash and cash equivalents		
Deposits with original maturity more than three months but less than twelve months**	976.43	-
	976.43	-
* Includes interest accrued but not due		
# Includes deposits pledged against Major maintenance reserve (MMR) and debt service reserve account (DSRA)		
Notes:		
(i) For assets pledged as security, refer note 23.		
(ii) Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the reporting year and the comparative year.		
9 Loans - current		
Loans receivables considered good - secured		
Loan to related parties (refer note 31)		
UEPL	648.32	-
NBL	54.71	-
GEPL	18.53	-
DBCPL	262.71	-
JPEPL	22.34	-
Total	1,006.61	-
(i) For assets pledged as security, refer note 23.		
(ii) The carrying values are considered to be a reasonable approximation of fair value.		
(iii) Includes interest accrued but not due		
10 Other current assets		
Prepaid expenses	3.02	-
	3.02	-

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

11 Equity

a) Unit capital

415,500,000 units (31 March 2022 : Nil) of ₹100 each

As at 31 March 2023	As at 31 March 2022
41,550.00	-
41,550.00	-

(i) Terms/rights attached to unit capital:

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

- The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. Each Unit represents an undivided beneficial interest in the Highways Infrastructure Trust ("the Trust").
- Right to receive income or distributions with respect to the units held.
- Right to attend the annual general meeting and other meetings of the unit holders which are conducted in accordance with the SEBI Regulations.
- Right to receive periodic information-the Investment Manager, on behalf of the Highways Infrastructure Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the InvIT Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI.
- Any buyback and de-listing of Units shall be in accordance with the Trust Deed and the SEBI Regulations.

The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Highways Trust, and the Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Investment Manager shall maintain records of the Unitholders' grievances and the actions taken thereon, including copies of correspondences made with the Unitholders.

No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor and its Associates, where such subordinate units carry only inferior voting or any other rights compared to other units in the future in accordance with Regulation 4(2)(h) of the SEBI Regulations.

In terms of the InvIT Regulations not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year.

Limitations to the liability of unitholders

A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Highways Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

(ii) Reconciliation of units outstanding at the beginning and at the end of the year/period :

Unit capital of ₹100 each fully paid up

Balance at the beginning of the year/period

Add: Units issued during the year/period

Balance at the end of the year/period

31 March 2023		31 March 2022	
No. of units	(₹ in million)	No. of units	(₹ in million)
-	-	-	-
41,55,00,000	41,550.00	-	-
41,55,00,000	41,550.00	-	-

(iii) Unitholders holding more than 5% of units of the Trust as at balance sheet date

Galaxy Investments II Pte. Ltd.

2452991 Ontario Limited

31 March 2023		31 March 2022	
No. of units	% holding	No. of units	% holding
37,39,00,000	89.99%	-	0%
3,12,00,000	7.51%	-	0%

(iv) There were no units issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back since the date of incorporation.

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	As at 31 March 2023	As at 31 March 2022
12 Other equity		
Retained earnings	(5,715.12)	-
	<u>(5,715.12)</u>	<u>-</u>
Description of nature and purpose of each reserve:		
Retained earnings		
Retained earnings are created from the profit/(loss) of the Trust, as adjusted for distributions to owners, transfers to other reserves, etc.		
	As at 31 March 2023	As at 31 March 2022
13 Borrowings		
Term Loans (secured)		
Non convertible debentures	6,351.05	-
Rupee term loans from banks	7,673.13	-
Total Non-current borrowings (excluding current maturities)	14,024.18	-
Current maturities of long term borrowings (refer note 14)		
-Rupee term loans from banks	160.00	-
-Non convertible debentures	65.00	-
Total borrowings (including current maturities)	14,249.18	-

(i) Refer note 28 - Fair value disclosures for disclosure of fair value in respect of financial liabilities measured at amortised cost and note 29 - Financial risk management for presentation of financial instruments by category

(ii) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Non-current borrowings (including current maturities)
Balance as at 03 December 2021	-
Cash flows:	
Proceeds from issue of unit capital	-
Repayment of borrowings	-
Processing fees	-
Non-cash:	
Impact of amortised cost adjustment for borrowings	-
Balance as at 31 March 2022	-
Cash flows:	
Proceeds from borrowings (net of processing fees)	14,350.14
Repayment of borrowings	(112.50)
Non-cash:	
Impact of amortised cost adjustment for borrowings	11.54
Balance as at 31 March 2023	14,249.18

For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

A. Repayment terms

Repayment terms of rupee term loan (RTL):

Rupee term loan from banks (including short term borrowings) of ₹ 7,833.13 millions (31 March 2022: Nil) which carries weighted average interest rate of @ 7.94% p.a. (31 March 2022: Nil) linked to 1 year MCLR of respective banks plus spread, the interest rate will reset on an annual basis. The said loan is repayable in 55 structured quarterly installments starting from 30 September 2022 and ending on 31 March 2036.

Repayment terms of non-convertible debentures (NCD):

The Trust has raised senior, secured, taxable, rated, listed, redeemable, non-convertible debt (NCDs) amounting to ₹4,000 millions for Series I at coupon rate of 7.71% p.a. and ₹2,500.00 millions for Series II at coupon rate of 8.25% p.a. having an outstanding balance as at 31 March 2023 of ₹ 6,416.05 millions (31 March 2022: ₹ Nil) which will mature on 22 December 2025 and 22 September 2029 respectively. The NCDs are listed on Bombay Stock Exchange (BSE). The said series I NCDs is repayable in 13 structured quarterly installments starting from 31 December 2022 and ending on 22 December 2025. Further series II NCDs is repayable in 28 structured quarterly installments starting from 31 December 2022 and ending on 22 September 2029.



B. Security clause: non-convertible debentures (NCD) and rupee term loan (RTL) are secured by:

- a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:
(i) all receivables of the Issuer from the HoldCos and SPVs;
(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;
(iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;
(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and
(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;
- (b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future;
- (c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs;
- (d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;
- (e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;
- (f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the HoldCos to the Issuer / HoldCo ("Pledged Securities");
- (g) undertaking from SPV and HoldCo, in a form and manner satisfactory to the Debenture Trustee, as a part of the Corporate Guarantee; and
- (h) Unconditional and irrevocable corporate guarantee by each of the SPVs and the HoldCos, in a form and manner satisfactory to the Trustee (the "Corporate Guarantee")

14 Current borrowings

Current maturities of non-current borrowings (refer note 13)

- Rupee term loans from banks
- Non convertible debentures

As at 31 March 2023	As at 31 March 2022
160.00	-
65.00	-
225.00	-

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15 Trade payables

- Total outstanding dues of micro and small enterprises (refer note (ii) below)
Total outstanding due to creditors other than micro and small enterprises
- Related parties (refer note 31)
- Others

As at 31 March 2023	As at 31 March 2022
1.54	-
22.76	-
27.73	-
52.03	-

Note:-

- (i) Refer note- 29 Financial risk management for presentation of financial instruments by category.
(ii) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Trust, the following are the details:

- a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

1.54	-
-	-
-	-
-	-
-	-
-	-

Ageing Schedule of Trade payable

As at 31 March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	-	1.54	-	-	-	1.54
(ii) Undisputed dues - Others	28.45	22.04	-	-	-	50.49
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	28.45	23.58	-	-	-	52.03

As at 31 March 2022

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	-	-	-	-	-	-
(ii) Undisputed dues - Others	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

As at
31 March 2023

As at
31 March 2022

16 Other financial liabilities

- Interest accrued on rupee term loan
Interest accrued on Non Convertible Debentures (NCD's)
Others payable

1.19	-
1.30	-
0.00	-
2.49	-

17 Other current liabilities

- Statutory liabilities

16.41	-
16.41	-

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
18 Interest income from subsidiaries		
- Interest on compulsory convertible debentures ("CCD'S")	357.06	-
- Interest on rupee term loan ("RTL")	923.98	-
- Interest on OCD'S	300.89	-
	1,581.93	-
19A Interest on term loan and non convertible debentures		
- on rupee term loan	308.71	-
- on non-convertible debentures	275.42	-
	584.13	-
19B Other finance costs		
Finance and bank charges	0.57	-
	0.57	-
20 Audit fees		
Statutory audit and limited review fees	15.43	-
Certification fees	1.24	-
Out of pocket expenses	0.71	-
	17.38	-
21 Other expenses		
Telephone and communication	0.01	-
Rates and taxes	0.01	-
Demat fees	0.02	-
Loss on reduction of investment in equity	14.22	-
Miscellaneous expenses	2.07	-
	16.33	-
22 Exceptional items		
Impairment of non-current investments - SEPL	154.38	-
Impairment of non-current investments - NBL	244.05	-
Impairment of non-current investments - JPEPL	1,509.31	-
Impairment of non-current investments - DBCPL	136.85	-
	2,044.59	-

Note

As per Ind AS 36 'Impairment of Assets', management carried out the impairment assessment of investment in subsidiaries and provided for an impairment loss of ₹ 2,044.59 millions (03 December 2021 to 31 March 2022: ₹ Nil) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) during the year ended 31 March 2023. The recoverable value determined through value in use method in respect of investment in subsidiary. The discount rate used for determining the recoverable value is 10.55% for DBCPL, 10.50 % for JPEPL, 8.38% for SEPL and 8.35% for NBL for the year ended 31 March 2023 and Nil for period from 03 December 2021 to 31 March 2022.

Recoverable Value:	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
DBCPL	12,218.15	-
SEPL	201.89	-
NBL	110.36	-
JPEPL	2,353.95	-



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

23 Assets pledged as security

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Investments (refer note 6)	292.52	-
Cash and cash equivalents and bank balances other than cash and cash equivalents (refer note 7 and 8)	1,241.97	-
Loans (refer note 9)	1,006.61	-
Other current assets (refer note 10)	3.02	-
Total current assets pledged as security	2,544.13	-
Non-current		
Investments (refer note 3)	36,159.46	-
Loans (refer note 4)	11,450.25	-
Non-current tax assets (net)(refer note 5)	1.16	-
Total non-currents assets pledged as security	47,610.86	-
Total assets pledged as security	50,154.99	-

01 April 2022 to
31 March 2023

03 December 2021 to
31 March 2022

24 Tax expense

Income tax expense recognised in Statement of Profit and Loss

Current tax	18.27	-
	18.27	-

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows:

Profit before tax	444.73	-
Income tax using the Trust's domestic tax rate *	42.74%	-
Expected tax expense [A]	190.10	-
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax impact of exempt income as per Income Tax Act, 1961	(1,378.12)	-
Tax impact of non-deductible expenditure pursuant to section 14A of the Income Tax Act, 1961	1,206.30	-
Total adjustments [B]	(171.83)	-
Actual tax expense [C=A+B]	18.27	-

* Domestic tax rate applicable to the Trust has been computed as follows:

Base tax rate	30.00%	-
Surcharge (% of tax)	37.00%	-
Cess (% of tax)	4.00%	-
Applicable tax rate	42.74%	-

25 Earnings per unit (EPU)

Net profit attributable to unitholders	426.46	-
Number of weighted average units (nominal value of Rs 100 each)**		
- Basic EPU	25,15,76,712	-
- Diluted EPU	25,15,76,712	-
Earnings per unit - after exceptional items and tax		
- Basic EPU	1.70	-
- Diluted EPU	1.70	-

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the year. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

** Units were issued on 23 August 2022, however for the purpose of Earnings per unit has been arrived without considering weighted average number of units as the income statement pertains to year ended 31 March 2023.

26 Capital and other commitments

Commitments as at 31 March 2023 is Nil (31 March 2022: Nil)

27 Contingent liabilities and claims

Contingent Liabilities as at 31 March 2023 is Nil (31 March 2022: Nil)



28 Fair value disclosures

(i) Fair value of instruments measured at amortised cost:

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

Particulars	Level	As at 31 March 2023		As at 31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments (refer note 3 and 6)	Level 3	36,451.58	38,846.67	-	-
Cash and cash equivalents (refer note 7)	Level 3	265.54	265.54	-	-
Bank balances other than cash and cash equivalents above (refer note 8)	Level 3	976.43	976.43	-	-
Loans	Level 3	12,456.86	12,456.86	-	-
Total financial assets		50,150.81	52,545.50	-	-
Financial liabilities					
Borrowings (including current maturities of non-current borrowings) (refer note 13 and 14)	Level 3	14,249.18	14,249.18	-	-
Trade payables (refer note 15)	Level 3	52.03	52.03	-	-
Other financial liabilities (refer note 16)	Level 3	2.49	2.49	-	-
Total financial liabilities		14,303.70	14,303.70	-	-

Valuation process and technique used to determine fair value

*The fair values of the Trust's loans and Investments are determined by applying discounted cash flows (DCF) method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting year. The own non-performance risk as at the reporting year end was assessed to be insignificant.

Note: There are no level 1 and level 2 Investment made by the Trust as at 31 March 2023

29 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2023		As at 31 March 2022	
	FVTPL	FVOCI	FVTPL	FVOCI
Financial assets				
Investments* (refer note 3 and 6)	-	-	7,395.59	-
Cash and cash equivalents (refer note 7)	-	-	265.54	-
Bank balances other than cash and cash equivalents above (refer note 8)	-	-	976.43	-
Loans (refer note 4 and 9)	-	-	12,456.86	-
Total	-	-	21,094.42	-
Financial liabilities				
Borrowings (including current maturities of non-current borrowings) (refer note 13 and 14)	-	-	14,249.18	-
Trade payables (refer note 15)	-	-	52.03	-
Other financial liabilities (refer note 16)	-	-	2.49	-
Total	-	-	14,303.70	-

*Excludes investment in equity instruments of subsidiaries amounting to ₹ 29,056.38 carried at cost in accordance with Ind AS 27, Separate Financial Statements (Ind AS 27)

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

ii) Risk Management

The Trust's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors of the Investment Manager of the Trust has overall responsibility for the establishment and oversight of the Trust's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Standalone financial statements :

Risk	Exposure arising from	Measurement	Management manages risk by
Credit risk	Cash and cash equivalents, Loans carried at amortised cost Bank balances other than cash and cash equivalents	Aging analysis	Investing in bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk : price risk	Investments measured at fair value through profit and loss	Sensitivity analysis	Diversification of portfolio of its assets.
Market risk : interest rate	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

The Trust's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of Investment manager. The Board of Directors of Investment manager provides principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Trust. The Trust is exposed to this risk for various financial instruments, for example by granting loans and making deposits, etc. The Trust's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- loans and receivables carried at amortised cost.

a) Credit risk management

The Trust assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of counterparties, identified either individually or by the Trust, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Trust assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Assets under credit risk :

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
A: Low	Cash and cash equivalents Bank balances other than cash and cash equivalents above	265.54 976.43	- -
B: High	Investments Loans to related parties	7,395.59 12,456.86	- -
	Total	21,094.42	-

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Loans and non-current investments measured at amortised cost

Loans measured at amortised cost loans given to related parties. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

Financial assets (other than trade receivables)

The Trust provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents- Since the Trust deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans - Credit risk is evaluated based on the Trust's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans which has been given to its subsidiary companies, credit risk in respect of these loans is evaluated as high.

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

B) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Trust closely monitors its liquidity and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Trust has access to no undrawn borrowing facilities at the end of the 31 March 2023 and 31 March 2022.

b) Maturities of financial liabilities

The tables below analyse the Trust's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	1,359.85	6,618.14	2,632.74	10,925.12	21,535.85
Other financial liabilities	2.49	-	-	-	2.49
Trade payable	52.03	-	-	-	52.03
Total	1,414.37	6,618.14	2,632.74	10,925.12	21,590.36

As at 31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (including current maturities of non-current borrowings)	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Trade payable	-	-	-	-	-
Total	-	-	-	-	-

C) Price risk

i) Exposure

The Trust is not exposed to price risk as at balance sheet date.

D) Interest rate risk

i) Liabilities

The Trust's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Trust's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Trust to interest rate risk:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	7,833.13	-
Fixed rate borrowing	6,416.05	-
Total borrowings	14,249.18	-
Amount disclosed under current borrowings	225.00	-
Amount disclosed under non current borrowings	14,024.18	-

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2023	As at 31 March 2022
Interest sensitivity*		
Interest rates – increase by 100 bps*	78.33	-
Interest rates – decrease by 100 bps*	(78.33)	-

* Holding all other variables constant

ii) Assets

The Trust's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will be significantly affected by changes in market interest rates.



Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will be significantly affected by changes in market interest rates.

Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

30 Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other equity reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may return capital to shareholders or issue new shares. The Trust monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within its net debt, borrowings less cash and cash equivalents.

Debt equity ratio

Particulars	31 March 2023	31 March 2022
Net debt*	13,983.64	-
Total equity	35,834.88	-
Net debt to equity ratio	0.39	-

Net debt*

Particulars	31 March 2023	31 March 2022
Non current borrowings	14,024.18	-
Current borrowings	225.00	-
Less: Cash and cash equivalents	(265.54)	-
Net debt	13,983.64	-

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

31 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the year ended 31 March 2023 and for the period ended 31 March 2022:

A. Related parties where control exists

Subsidiaries

Ulundurpet Expressways Private Limited
Nirmal BOT Limited
Godhra Expressways Private Limited
Dewas Bhopal Corridor Private Limited
Shillong Expressway Private Limited
Jodhpur Pali Expressway Private Limited

Holding Entity

Galaxy Investments II Pte. Ltd

Intermediate holding entities

Galaxy Investments Pte Ltd
KKR Asia Pacific Infrastructure Holdings Pte Ltd
KKR Asia Pacific Infrastructure Investors SCSP

Ultimate holding entity

KKR & Co. Inc.

Fellow subsidiaries*

Highway Concessions One Private Limited ("HC1")

**With whom the Trust had transactions during the current or previous period*

Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C (v) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the trust w.e.f 23 November 2022 and II C (ii) for details of KMP of Virescent Infrastructure Investment Manager acting as investment manager of the trust upto 22 November 2022.

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

A. Parties to Highways Infrastructure Trust

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust
Highway Concessions One Private Limited ("HC1")- Investment Manager of Trust (w.e.f 23 November 2022)
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto 22 November 2022)
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto 13 November 2022)
Axis Trustee Services Limited (ATSJ) - Trustee of Highways Infrastructure Trust

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

Axis Bank Limited - Promoter of Axis Trustee Services Limited
Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)
Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)
Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd
Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)
Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

C. Directors of the parties to Highways Infrastructure Trust specified in II(A) above

(i) Directors of Galaxy Investment II Pte. Ltd

Mr. Cecilio Velasco (Director) (upto 26 January 2022)

Mr. Tang Jin Rong (Director)

Mr. Madhura Narawane (Director) (W.e.f 26 January 2022)

(ii) Directors and KMP of Virescent Infrastructure Investment Manager Private Limited

Mr. Vinay Kumar Pabba, Director w.e.f 26 November 2021 till 01 February 2022

Mr. Pradeep Kumar Panja, Director

Mr. Sanjay Grewal , Wholetime Director

Mr. Akshay Jaidy, Independent Director

Mr Hardik Bhadrak Shah, Director

Mr Aditya Narayan, Independent Director

Ms Daisy Devassy Chittilapilly, Independent Director

Ms. Charmi bhoot , Company Secretary and Compliance Officer

(iii) Directors of Virescent Renewable Energy Project Manager Private Limited

Mr. Sanjay Grewal , Director

Mr. Atul Raizada , Director

(iv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director

Mr. Rajesh Kumar Dahiya (Director)

Mr. Ganesh Sankaran (Director)

(v) Directors and KMP of Highway Concessions One Private Limited

Mr Hardik Bhadrak Shah, Non-executive Director

Mr Neeraj Sanghi, CEO (KMP), Whole time Director

Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)

Ms. Ami Vinoo Mornaya , Non-executive Director

Mr Subramanian Janakiraman , Independent Director (w.e.f 04 March 2022)

Mr Manish Agarwal, Independent Director (from w.e.f 14 September 2022)

Ms. Kunjal Shah , Company Secretary and Compliance Officer

Mr. Narayanan Doraiswamy, Chief Financial Officer

(vi) Directors of HC One Project Manager Private Limited

Mr Neeraj Sanghi, Director (w.e.f 20 September 2022)

Mr Zafar Khan, Director (w.e.f 20 September 2022)

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Galaxy Investment II Pte. Ltd		
Transaction during the year/period		
Issue of unit capital	37,390.00	-
Distribution to unit-holders^	5,426.24	-
Investment in compulsarily convertible debentures (CCD's)	3,060.00	-
Investment in preference shares	545.10	-
Balance outstanding at the end of the year/period		
Unit capital	37,390.00	-
Virescent Infrastructure Investment Manager Private Limited		
Transaction during the year/period		
Investment manager fees	2.36	-
Reimbursement of expenses	71.25	-
Balance outstanding at the end of the year/period		
Investment manager fees payable	2.16	-
Highway Concessions One Private Limited		
Transaction during the year/period		
Investment manager fees	22.51	-
Reimbursement of expenses	44.85	-
Balance outstanding at the end of the year/period		
Investment manager fees payable	20.60	-
Nirmal BOT Ltd		
Transaction during the year/period		
Loan given	1,158.30	-
Proceeds from redemption of OCD's of subsidiaries	321.11	-
Refund of loan given	188.88	-
Investment in optionally convertible debentures of subsidiaries (OCD's)	331.11	-
Impairment of non current investment (exceptional items)	244.05	-
Investment in equity instruments of subsidiaries	354.41	-
Interest on loan given	82.82	-
Interest on CCD's and OCD's given	25.36	-
Balance outstanding at the end of the year/period		
Investments in equity instruments of subsidiaries (net of impairment)	110.36	-
Investment in optionally convertible debentures of subsidiaries (OCD's)	9.98	-
Interest receivable	0.37	-
Loan receivable	969.42	-
Dewas Bhopal Corridor Private Limited		
Transaction during the year/period		
Loan given	2,814.94	-
Recognition of loan pursuant to equity share capital reduction	600.14	-
Refund of loan given	115.00	-
Impairment of non current investment (exceptional items)	136.85	-
Investment in equity instruments of subsidiaries	12,969.36	-
Reduction in value of investment in equity pursuant to share capital reduction	614.36	-
Interest on loan given	203.45	-
Dividend distribution	1,642.21	-
Loss on reduction of investment in equity	14.22	-



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Dewas Bhopal Corridor Private Limited		
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	12,218.15	-
Loan receivable	3,300.08	-
Interest receivable	3.71	-
Ulundurpet Expressways Private Limited		
Transaction during the year/period		
Loan given	2,699.29	-
Proceeds from redemption of OCD's of subsidiaries	209.05	-
Refund of loan given	1,459.64	-
Investment in optionally convertible debentures of subsidiaries (OCD's)	219.04	-
Investment in equity instruments of subsidiaries	3,004.95	-
Interest on loan given	189.12	-
Interest on CCD's and OCD's	16.88	-
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	3,004.95	-
Investment in optionally convertible debentures (OCD's) of subsidiaries	9.99	-
Interest receivable	0.53	-
Loan receivable	1,239.65	-
Godhra Expressways Private Limited		
Transaction during the year/period		
Loan given	4,059.40	-
Proceeds from redemption of OCD's of subsidiaries	561.76	-
Refund of loan given	5.00	-
Investment in optionally convertible debentures (OCD's) of subsidiaries	5,094.01	-
Investment in equity instruments of subsidiaries	11,167.09	-
Interest on loan given	295.69	-
Interest on CCD's and OCD's	417.88	-
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	11,167.09	-
Investment in optionally convertible debentures (OCD's) of subsidiaries	4,532.25	-
Interest receivable on rupee term loans (RTI.)	1.55	-
Interest receivable on OCD's	54.11	-
Loan receivable	4,054.40	-
Jodhpur Pali Expressway Private Limited		
Transaction during the year/period		
Loan given	2,874.81	-
Refund of loan given	5.00	-
Investment in optionally convertible debentures of subsidiaries	2,333.70	-
Investment in equity instruments of subsidiaries	3,863.25	-
Interest on loan given	152.90	-
Interest on CCD's and OCD's	197.83	-
Impairment of non current investment (exceptional items)	1,509.31	-



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Disclosure pursuant to SEBI circular (Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the SEBI regulations read with SEBI circular CIR/IMD/DF/114/2016 dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 April 2022 to 31 March 2023	03 December 2021 to 31 March 2022
Jodhpur Pali Expressway Private Limited		
Balance outstanding at the end of the year/period		
Investment in equity instruments of subsidiaries	2,353.94	-
Investment in optionally convertible debentures of subsidiaries	2,333.70	-
Interest receivable on OCD's and CCD's	183.02	-
Interest receivable on RTL	17.34	-
Loan receivable	2,869.81	-
Shillong Expressway Private Limited		
Transaction during the year/period		
Impairment of non current investment (exceptional items)	154.38	-
Investment in equity instruments of subsidiaries	356.27	-
Investment in preference shares of subsidiaries	545.10	-
Proceeds from redemption of preference shares	272.55	-
Balance outstanding at the end of the year/period		
Investments in equity instruments of subsidiaries (net of impairment)	201.89	-
Investment in preference shares of subsidiaries	272.55	-
Axis Trustee Services Limited		
Transaction during the year/period		
Trustee fees	0.83	-

^ Pertains to the distributions made during the financial year and does not include the distribution relating to the last quarter of financial year 2022-2023 which will be paid after 31 March 2023. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows (NDCLF) of the Trust under the InvIT Regulations and includes interest, dividend and repayment of capital.

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IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated 29 November 2016 read with Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 on audited standalone financial statement for the year ended 31 March 2023 are as follows:

A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)*:

Particulars	Name of Project SPVs					
	DBCPL	NBL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

*During the financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs")

B Material conditions or obligations in relation to the transactions:

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

C No external financing has been obtained for acquisition of above subsidiaries.

D No fees or commision received or to be received from any associate party in relation to acquisition of Project SPVs.

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Highways Infrastructure Trust**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

(All amounts in ₹ millions unless otherwise stated)

32 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Trust's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

33 Revenue from contracts with customers**Disaggregation of revenue**

Revenue recognised mainly comprises of interest income on loan to related parties and dividend income from related parties. Set out below is the disaggregation of the Trust's revenue from contracts with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
Operating revenue		
Interest on compulsory convertible debentures ("CCD'S")	357.06	-
Interest on rupee term loan ("RTL")	923.98	-
Interest on optionally convertible debenture ("OCD'S")	300.89	-
Dividend income from related parties	1,642.21	-
Total revenue	3,224.14	-

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2023 and year ended 31 March 2022 :

S.No.	Types of Products by Nature	Types of Services by timing	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Interest income	Over the period of time	1,581.93	-
2	Dividend income	At the point of time	1,642.21	-

B Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at 31 March 2023	As at 31 March 2022
Contract assets		
Interest Receivable on OCD's	237.13	-
Interest Receivable on RTL	23.51	-
Total	260.64	-

C There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement to the with the contracted price under the Contract.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ millions unless otherwise stated)

34 Financial ratios

Ratio	Numerator	Denominator	As at 31 March 2023 Ratio	As at 31 March 2022 Ratio	% Change*
Current ratio	Current assets	Current liabilities	8.60	-	100.00%
Debt-equity ratio	Total debt	Total equity	0.40	-	100.00%
Debt service coverage ratio	[Non-current borrowings + Current borrowings]	Finance costs + Principal repayment for borrowings	4.41	-	100.00%
Return on equity ratio (in %)	Profit before tax	Average of total equity	2.38%	-	100.00%
Inventory turnover ratio**	Costs of materials consumed	Average inventories	N/A	-	100.00%
Trade receivables turnover ratio***	Revenue from operations	Average trade receivables	N/A	-	100.00%
Trade payables turnover ratio	Other expenses	Average trade payables	3.71	-	100.00%
Interest service coverage ratio	Profit before tax + finance costs	Finance cost	5.26	-	100.00%
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	1.43	-	100.00%
Net profit ratio	Profit after tax	Revenue from operations	13.23%	-	100.00%
Return on capital employed (in %)	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.02	-	100.00%
Return on investment (in %)	Revenue from operations	Instruments entirely equity in nature + Instruments in OCD & CCD + Rupee term loan given to SPV's	6.77%	-	100.00%

*The Trust was formed on 03 December 2021 and there were no transactions in the period from 03 December 2021 to 31 March 2022 as certified by management.

** The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

*** The Trust does not have any trade receivables, therefore, trade receivable turnover ratio is not applicable.

Note:

The Trust has outstanding secured non-convertible debentures (NCD's) amounting to ₹ 6,416.05 millions (31 March 2022 : Nil) for Series I and Series II which will mature on 22 December 2025 and 22 September 2029 respectively. The NCD's are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of NCD's as at 31 March 2023. For details with respect to security refer note 13.



- 35 The Board of Directors of the Investment Manager have declared distribution of ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,010.00 millions, ₹ 4.8375 (rounded off) per unit amounting to ₹ 2,009.98 millions and ₹ 4.8376 (rounded off) per unit amounting to ₹ 2,010.02 millions in their meeting held on 11 November 2022, 08 February 2023 and 08 March 2023 respectively and the aforesaid distribution was paid to eligible unitholders on 19 November 2022, 15 February 2023 and 18 March 2023 respectively. Subsequent to year end 31 March 2023, the Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023.
- 36 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/InvIT/21-22/0019. The Trust allotted units to sponsor on 22 August 2022 pursuant to private placement of units of the Trust, hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31 March 2022 and from the period from 03 December 2021 to 31 March 2022 is not given. Further, the standalone financial information for the period 03 December 2021 to 31 March 2022 and as at 31 March 2022, as reported in these standalone financial statements have been certified by the Investment Manager of the Trust and not been subjected to audit or review.
- 37 Investment manager fees
Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e. Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Standalone financial Statement for the year ended 31 March 2023 includes amount of ₹ 2.36 Million (For the period from 03 December 2021 to 31 March 2022, ₹ Nil) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the current Investment Manager i.e. Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Standalone financial statement for the year ended 31 March 2023 of ₹ 22.51 Million (03 December to 31 March 2023 includes amount of ₹ Nil) towards Investment Manager Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.
- 38 The Trust acquired the following companies (Project SPVs) on 23 August 2022 :
(i) Dewas Bhopal Corridor Private Limited ("DBCPL")
(ii) Nirmal BOT Limited ("NBL")
(iii) Jodhpur Pali Expressway Private Limited ("JPEPL")
(iv) Godhra Expressways Private Limited ("GEPL")
(v) Ulundurpet Expressways Private Limited ("UEPL")
(vi) Shillong Expressway Private Limited ("SEPL")
- 39 During the current year ended 31 March 2023, pursuant to the approval dated 22 November 2022 granted by the Securities and Exchange Board of India ("SEBI") and the approval of the unitholders of the Trust as required under Regulation 9(15) of the InvIT Regulations obtained from the unitholders in the extraordinary general meeting held on 14 November 2022, Highway Concessions One Private Limited ("HC 1") and HC One Project Manager Private Limited ("HC One") was appointed as the new Investment Manager and Project Manager of the Trust respectively in place of Virescent Infrastructure Investment Manager Private Limited ("erstwhile Investment Manager") and Virescent Renewable Energy Project Manager Private Limited ("erstwhile Project Manager of the Trust"). The appointment of the new Investment Manager was also approved by the Board of erstwhile Investment Manager of the Trust vide its circular Resolution dated 19 October 2022. Consequently, Highway Concessions One Private Limited and HC One Project Manager Private Limited have been acting as the new Investment Manager and Project Manager of the Trust effective from 23 November 2022 and 14 November 2022 respectively.
- 40 During the current year ended 31 March 2023, three of the project SPVs viz. GEPL, DBCPL and UEPL has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPVs and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPVs. The final order for approving the capital reduction scheme in DBCPL was received on 27 February 2023 however, final order for approving the capital reduction scheme is awaited in GEPL and UEPL. The necessary impacts on account of capital reduction in DBCPL have been considered in these audited standalone financial statements for the year ended 31 March 2023.
- 41 Other statutory information
(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Trust for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
(ii) The Trust has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Trust (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(iii) The Trust has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(iv) The Trust have not traded or invested in Cryptocurrency or Virtual Digital Currency during the financial year ended 31 March 2023.
(v) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(vi) The Trust does not have any transactions with struck-off companies.
(vii) The Trust has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulter issued by the Reserve Bank of India.
- 42 The financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on 19 May 2023



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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ millions unless otherwise stated)

- 42 All values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00

For Walker Chandniok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Manish Agrawal

Partner

Membership No.: 507000

Place: Mumbai

Date: 19 May 2023





Kunjal Shah

Compliance officer

Membership No: A27382

Place: Mumbai

Date: 19 May 2023

For and on behalf of Board of Directors of

Highway Concessions One Private Limited

(as Investment Manager of Highways Infrastructure Trust)


Narayan Bhoraiswamy
Chief Financial Officer



Neeraj Sanghi

Whole Time Director and CEO

DIN:05110400

Place: Mumbai

Date: 19 May 2023

Place: Mumbai

Date: 19 May 2023



Walker Chandio & Co LLP

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Independent Auditor's Report on Special Purpose Combined Financial Statements of the Project SPVs to be transferred to Highways Infrastructure Trust

To

The Board of Directors of Virescent Infrastructure Investment Manager Private Limited (the 'Investment Manager') in its capacity as Investment Manager of Highways Infrastructure Trust

Opinion

1. We have audited the accompanying special purpose combined financial statements comprising of the following six companies:

- a) Ulundurpet Expressways Private Limited
- b) Nirmal BOT Limited
- c) Godhra Expressways Private Limited
- d) Jodhpur Pali Expressway Private Limited
- e) Shillong Expressway Private Limited
- f) Dewas Bhopal Corridor Private Limited

(together referred as 'Project SPVs' or 'Project SPV Group' and individually 'Project SPV') which are proposed to be transferred from Galaxy Investments II Pte Ltd (herein referred to as 'Sponsor') and other shareholders of Project SPVs to Highways Infrastructure Trust (the 'Trust') pursuant to the proposed private placement of Units of the Trust ('Private Placement'), and which comprises the:

- a. Combined Balance Sheets as at 31 March 2022, 31 March 2021 and 31 March 2020;
- b. Combined Statements of Profit and Loss (including Other comprehensive income) for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020;
- c. Combined Statements of Cash Flows for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020;
- d. Combined Statements of Changes in Equity for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020;
- e. Combined Statements of Net Assets at Fair Value as at 31 March 2022;
- f. Combined Statements of Total Returns at Fair Value for the financial year ended 31 March 2022; and
- g. a summary of significant accounting policies and other explanatory information.
(together referred to as 'special purpose combined financial statements').

These special purpose combined financial statements have been prepared in accordance with the basis of preparation as specified in note 2.1 to the special purpose combined financial statements.



Independent Auditor's Report on Special Purpose Combined Financial Statements of the Project SPVs to be transferred to Highways Infrastructure Trust (Cont'd)

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose combined financial statements gives a true and fair view of the state of affairs (financial position) of the Project SPVs as at 31 March 2022, 31 March 2021 and 31 March 2020 and its losses (including other comprehensive income), its cash flows and the changes in equity for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020, the combined net assets at fair value as at 31 March 2022 and the combined total returns at fair value for the year ended 31 March 2022 in accordance with the basis of preparation as described in note 2.1 to these special purpose combined financial statements.

Emphasis of matters - Basis of Preparation and Restriction on Distribution or Use

3. Without modifying our opinion, we draw attention to Note 2.1 to the accompanying special purpose combined financial statements, which describes the basis of its preparation. The special purpose combined financial statements have been prepared solely to comply with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (the "InvIT Regulations"). Consequently, these Special purpose combined financial statements may not necessarily be indicative of financial performance, financial position and cash flows of the Project SPV Group that would have occurred if it had operated as a single group of entities during the periods presented.
4. This report is addressed to and is provided to the Investment Manager solely for inclusion in the updated preliminary placement memorandum, placement memorandum and final placement memorandum (collectively, 'the placement documents') in connection with the proposed private placement and may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Responsibilities of Management for the Special Purpose Combined Financial Statements

5. The accompanying special purpose combined financial statements have been approved by the board of directors of Investment Manager of the Trust. The Investment Manager of the Trust is responsible for preparation of these special purpose combined financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows, the combined statement of net assets at fair value and the combined statement of total returns at fair value of the Trust of the Trust in accordance with the basis of preparation described in note 2.1 to the Special Purpose Combined Financial Statements. The respective Board of Directors of the Project SPVs as included in the Project SPV Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Project SPV Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view, in accordance with the basis of preparation specified in aforementioned note 2.1, that are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the special purpose combined financial statements by the Directors of the Investment Manager of the Trust, as aforesaid.
6. In preparing the special purpose combined financial statements, the respective board of directors of the Investment Manager of the Trust and the Project SPVs is responsible for assessing the Project SPVs 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 respective Board of directors either intends to liquidate the Project SPV's or to cease operations, or has no realistic alternative but to do so.



Independent Auditor's Report on Special Purpose Combined Financial Statements of the Project SPVs to be transferred to Highways Infrastructure Trust (Cont'd)

Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the special purpose combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose combined financial statements.
8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Project SPVs have in place adequate internal financial controls with reference to financial Statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Investment Manager;
 - Conclude on the appropriateness of 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 Project SPVs 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 Project SPVs to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities included in the Special Purpose Combined Financial Statements to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the special purpose combined financial statements, of which we are the independent auditors. For the other entities included in the special purpose combined financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. 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.

Other Matter

10. The special purpose financial statements of each of the Project SPV for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020 are prepared as per Indian Accounting Standards ('Ind AS') and have been audited by the respective auditors of the Project SPVs, which have been used for the purpose of



Walker Chandiook & Co LLP

Independent Auditor's Report on Special Purpose Combined Financial Statements of the Project SPVs to be transferred to Highways Infrastructure Trust (Cont'd)

preparation of the Special Purpose Combined Financial Statements by the Investment Manager of the Trust and have been relied upon by us for our audit of these Special Purpose Combined Financial Statements.

The Projects SPVs and the periods which were audited by other auditors are as follows:

S. No	Project SPV	Period	Revenue (in ₹ millions)	Total Assets (in ₹ millions)	Cash flows (in ₹ millions)
1	Jodhpur Pali Expressway Private Limited	Financial year ended 31 March 2022	576.99	4,209.50	53.64
		Financial year ended 31 March 2021	536.70	4,446.48	(4.14)
		Financial year ended 31 March 2020	586.29	4,399.72	10.04
2	Ulundurpet Expressways Private Limited	Financial year ended 31 March 2022	1,470.77	5,923.23	4.59
		Financial year ended 31 March 2021	1,165.00	6,432.66	2.75
		Financial year ended 31 March 2020	1,307.58	6,670.32	(9.00)
3	Shillong Expressway Private Limited	Financial year ended 31 March 2022	275.87	1528.39	(36.19)
		Financial year ended 31 March 2021	274.37	1,657.88	28.84
		Financial year ended 31 March 2020	289.91	1,795.53	(120.21)

Our opinion is not modified in respect of aforesaid matter.

Report on Other Legal and Regulatory Requirements

11. As required by circular number CIR/IMD/DF/114/2016 dated 20 October 2016 issued by Securities and Exchange Board of India; we report that:

- we have sought and obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- the special purpose combined financial statements are in agreement with the books of account of the respective Project SPV; and
- In our opinion, the special purpose combined financial statements comply with the basis of preparation as specified in note 2.1 to these special purpose combined financial statements.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

MA

Manish Agrawal

Partner

Membership No.: 507000

UDIN: 22507000AMNEBR9358

Place: New Delhi

Date: 08 July 2022



Highways Infrastructure Trust
Combined Balance Sheet
(All amounts in ₹ millions unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
ASSETS				
Non-current assets				
Property, plant and equipment	3	130.04	66.93	62.05
Capital work-in-progress	4	2.39	9.40	-
Intangible assets	5	20,246.56	21,249.03	22,159.81
Financial assets				
Other financial assets	6	1,382.88	1,626.38	1,861.32
Non-current tax assets (net)	8	89.40	74.29	77.52
Other non-current assets	9	-	0.45	0.45
Total non-current assets		21,851.27	23,026.48	24,161.15
Current assets				
Financial assets				
Investments	11	2,152.39	2,156.37	2,465.11
Trade receivables	12	37.30	68.92	87.48
Cash and cash equivalents	13	365.82	79.81	174.91
Bank balances other than cash and cash equivalents above	14	1,972.62	1,622.21	859.13
Other financial assets	7	941.61	949.80	939.68
Other current assets	10	72.56	122.14	109.84
Total current assets		5,542.30	4,999.25	4,636.15
Total assets		27,393.57	28,025.73	28,797.30
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	15	3,200.95	3,200.95	3,200.95
Other equity	16	(2,812.09)	(2,467.13)	(1,619.74)
Total equity		388.86	733.82	1,581.21
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	17A	21,260.80	22,252.15	22,464.09
Other financial liabilities	18A	1,276.93	1,265.55	1,243.06
Provisions	19A	324.55	571.96	587.46
Deferred tax liabilities (net)	20	849.36	334.57	490.12
Total non-current liabilities		23,711.64	24,424.23	24,784.73
Current liabilities				
Financial liabilities				
Borrowings	17B	2,007.63	1,742.21	1,661.56
Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	21	18.66	0.08	14.94
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	302.14	211.24	198.33
Other financial liabilities	18B	649.37	303.19	260.50
Other current liabilities	22	31.16	15.82	30.95
Provisions	19B	279.82	580.08	262.63
Current tax liabilities (net)	23	4.29	15.06	2.45
Total current liabilities		3,293.07	2,867.68	2,431.36
Total liabilities		27,004.71	27,291.91	27,216.09
Total equity and liabilities		27,393.57	28,025.73	28,797.30

Significant accounting policies

2

The accompanying notes form an integral part of the Special Purpose Combined Financial Statements.

This is the Combined Balance Sheet referred to in our report of even date.

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

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: 08 July 2022



For and on behalf of the Board of Directors of
Virescent Infrastructure Investment Manager Private Limited
(acting as Investment Manager to Highways Infrastructure Trust)

Sanjay Grewal
Director
DIN: 01971866

Hardik Bhadrak Shah
Director
DIN: 06648474

Place: New Delhi
Date: 08 July 2022

Place: Mumbai
Date: 08 July 2022

Highways Infrastructure Trust
Combined Statement of Profit and Loss
(All amounts in ₹ millions unless otherwise stated)

	Note	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Income				
Revenue from operations	24	5,866.56	5,085.04	5,008.80
Other income	25	311.09	241.09	231.43
Total income		6,177.65	5,326.13	5,240.23
Expenses				
Operating expenses	26	1,437.60	1,377.29	1,388.02
Employee benefits expense	27	128.35	117.56	116.19
Finance costs	28	2,775.55	2,740.51	2,774.77
Depreciation and amortisation expense	29	1,017.44	919.81	1,038.67
Other expenses	30	459.15	393.69	349.50
Total expenses		5,818.09	5,548.86	5,667.15
Profit/ (loss) before tax		359.56	(222.73)	(426.92)
Tax expense				
Current tax	32	189.97	127.00	91.10
Deferred tax	32	514.79	(155.54)	(2.41)
Total tax expense		704.76	(28.54)	88.69
Net loss for the year		(345.20)	(194.19)	(515.61)
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Re-measurement gains /(losses) on defined benefit obligations		0.24	0.57	(1.25)
Income tax relating to these items		-	-	-
Total other comprehensive income / (loss) for the year		0.24	0.57	(1.25)
Total comprehensive loss for the year		(344.96)	(193.62)	(516.86)

Earning per unit- Refer note 42

Significant accounting policies

2

The accompanying notes form an integral part of the Special Purpose Combined Financial Statements.

This is the Combined Statement of Profit and Loss referred to in our report of even date.

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

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: 08 July 2022



For and on behalf of the Board of Directors of
Virescent Infrastructure Investment Manager Private Limited
(acting as Investment Manager to Highways Infrastructure Trust)

Sanjay Grewal

Sanjay Grewal
Director
DIN: 01971866

Place: New Delhi
Date: 08 July 2022

Hardik Bhadrak Shah

Hardik Bhadrak Shah
Director
DIN: 06648474

Place: Mumbai
Date: 08 July 2022

Highways Infrastructure Trust
Combined Cash Flow Statement
(All amounts in ₹ millions unless otherwise stated)

	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
A. Cash flows from operating activities			
Profit/ (loss) before tax	359.56	(222.73)	(426.92)
Adjustments for:			
Depreciation and amortisation expense	1,017.44	919.81	1,038.67
Gain on sale of property, plant and equipment (net)	(0.04)	-	-
Gain on sale of investments (net)	(70.59)	(81.51)	(120.96)
(Gain) / loss on investments carried at fair value through profit or loss (net)	(6.51)	5.59	(1.26)
Modification gain on annuity	(51.71)	(143.66)	(91.10)
Excess provisions written back	(1.40)	(2.26)	(0.99)
Interest income	(103.07)	(62.27)	(63.73)
Re-measurement losses / (gains) on defined benefit obligations	0.24	0.57	(1.25)
Unwinding finance cost on deferred payment to NHAI for purchase of right to charge user of toll roads	148.30	145.97	143.44
Unwinding of discount on provisions and financial liabilities carried at amortised cost	49.15	41.74	38.65
Unwinding of discount on major maintenance provision	78.44	59.97	68.75
Finance cost	2,499.67	2,492.83	2,523.93
Major maintenance provision	310.20	451.45	834.11
Gain on modification of financial liability	(52.55)	(64.09)	(13.34)
Operating profit before working capital changes and other adjustments	4,177.13	3,541.41	3,928.01
Working capital changes and other adjustments:			
Trade receivables	31.62	18.56	(25.41)
Other current and non-current financial assets	355.95	(179.52)	4.00
Other current and non-current assets	50.03	0.54	(119.31)
Trade payables	109.47	70.18	150.53
Provisions	(934.92)	(288.31)	(902.96)
Other current and non-current financial liabilities	116.34	(176.05)	(286.68)
Other current and non-current liabilities	15.35	(15.15)	(0.29)
Cash flow from operating activities post working capital changes	3,920.97	2,971.67	2,747.89
Income tax paid (net)	(216.53)	(126.34)	(88.57)
Net cash generated from operating activities (A)	3,704.44	2,845.33	2,659.32
B. Cash flows from investing activities			
Acquisition of property, plant and equipment and capital work-in-progress and intangible assets	(76.30)	(14.19)	(26.24)
Proceeds from disposal of property, plant and equipment	-	1.17	-
Purchase of bank deposits (net)	(1,821.76)	(1,373.94)	(697.27)
Proceeds from sale of bank deposits	1,471.34	1,209.98	892.68
Purchase of current investments	(5,359.54)	(94.80)	(561.27)
Proceeds from sale of current investments	5,441.27	479.44	266.80
Interest received on bank deposits and others	103.07	62.27	63.75
Net cash (used in) / flow from investing activities (B)	(241.92)	269.93	(61.55)
C. Cash flows from financing activities			
Proceeds from current borrowings	-	111.68	858.69
Repayment of optionally-convertible debentures (including interest)	(7,621.91)	(258.30)	-
Repayment of non-current borrowings (including current maturities)	(1,889.10)	(845.01)	(1,800.01)
Proceeds from issue of compulsory convertible debentures	7,978.14	-	-
Dividend paid on equity shares	-	(653.77)	-
Finance costs paid	(1,643.64)	(1,564.96)	(1,669.06)
Net cash used in financing activities (C)	(3,176.51)	(3,210.36)	(2,610.38)
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	286.01	(95.10)	(12.61)
E Cash and cash equivalents at the beginning of the year	79.81	174.91	187.52
Cash and cash equivalents at the end of the year (D+E) (refer note 13)	365.82	79.81	174.91

Note:

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

The accompanying notes form an integral part of the Special Purpose Combined Financial Statements.

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

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

Manish Agrawal
Partner
Membership No.: 507000

Place: Ghaziabad
Date: 08 July 2022



For and on behalf of the Board of Directors of
Virescent Infrastructure Investment Manager Private Limited
(acting as Investment Manager to Highways Infrastructure Trust)

Sanjay Grewal HBM

Sanjay Grewal Director
DIN: 01971866
Hardik Bhadrak Shah Director
DIN: 06648474

Place: New Delhi
Date: 08 July 2022
Place: Mumbai
Date: 08 July 2022

Highways Infrastructure Trust
Combined Statement of Changes in Equity
(All amounts in ₹ millions unless otherwise stated)

Equity share capital*

Particulars	Number of shares	Amount
Balance as at 01 April 2019	320,094,845	3,200.95
Changes in equity share capital	-	-
Balance as at 31 March 2020	320,094,845	3,200.95
Changes in equity share capital	-	-
Balance as at 31 March 2021	320,094,845	3,200.95
Changes in equity share capital	-	-
Balance as at 31 March 2022	320,094,845	3,200.95

Other equity**

Particulars	Equity component of loan to related parties	Reserves and surplus				Total
		Securities premium	Debt redemption reserve	Capital redemption reserve	Retained earnings	
Balance as at 01 April 2019	384.95	2,874.88	418.97	2.83	(4,784.51)	(1,102.88)
Net loss for the year	-	-	-	-	(515.61)	(515.61)
Other comprehensive income for the year	-	-	-	-	(1.25)	(1.25)
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	(1.25)	(1.25)
Total comprehensive income for the year	-	-	-	-	(516.86)	(516.86)
Transfer from debt redemption reserve	-	-	(4.25)	-	4.25	-
Balance as at 31 March 2020	384.95	2,874.88	414.72	2.83	(5,297.12)	(1,619.74)

Particulars	Equity component of loan to related parties	Reserves and surplus				Total
		Securities premium	Debt redemption reserve	Capital redemption reserve	Retained earnings	
Balance as at 31 March 2020	384.95	2,874.88	414.72	2.83	(5,297.12)	(1,619.74)
Net loss for the year	-	-	-	-	(194.19)	(194.19)
Other comprehensive income for the year	-	-	-	-	0.57	0.57
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	0.57	0.57
Total comprehensive income for the year	-	-	-	-	(193.62)	(193.62)
Transfer from debt redemption reserve	-	-	(250.53)	-	250.53	-
Dividend distribution	-	-	-	-	(653.77)	(653.77)
Balance as at 31 March 2021	384.95	2,874.88	164.19	2.83	(5,893.98)	(2,467.13)

Particulars	Equity component of loan to related parties	Reserves and surplus				Total
		Securities premium	Debt redemption reserve	Capital redemption reserve	Retained earnings	
Balance as at 31 March 2021	384.95	2,874.88	164.19	2.83	(5,893.98)	(2,467.13)
Net loss for the year	-	-	-	-	(345.20)	(345.20)
Other comprehensive income for the year	-	-	-	-	0.24	0.24
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	0.24	0.24
Total comprehensive income for the year	-	-	-	-	(344.96)	(344.96)
Transfer from debt redemption reserve	-	-	10.72	-	(10.72)	-
Balance as at 31 March 2022	384.95	2,874.88	174.91	2.83	(6,249.66)	(2,812.09)

* For details, refer note 15

** The description of the purposes of each reserve within equity has been disclosed in note 16.

The accompanying notes form an integral part of the Special Purpose Combined Financial Statements.

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

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

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: 08 July 2022



For and on behalf of the Board of Directors of
Virescent Infrastructure Investment Manager Private Limited
(acting as Investment Manager to Highway Infrastructure Trust)

Sanjay Grewal H3m

Sanjay Grewal
Director
DIN: 01971866

Hardik Bhadrak Shah
Director
DIN: 06648474

Place: New Delhi
Date: 08 July 2022

Place: Mumbai
Date: 08 July 2022

Highways Infrastructure Trust

Disclosures as required by SEBI Circular no. CIR/IMD/DF/114/2016 dated 20 October 2016

(All amounts in ₹ millions unless otherwise stated)

Statement of net assets at fair value as at 31 March 2022:

Particulars	Book value	Fair value #
A. Assets	27,393.57	53,889.16
B. Liabilities (at book value)	27,004.71	27,004.71
C. Net assets (A-B)	388.86	26,884.45

Note: The number of units that Highways Infrastructure Trust will issue to investors in connection with the proposed private placement of units of the Trust in exchange of the shareholdings in the SPV Group is not presently ascertainable. Accordingly, disclosure in respect of Net Asset Value (NAV) per unit have not been given.

Fair values of total assets relating to the SPV Group as at 31 March 2022 as disclosed above are based on the fair valuation report of the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.

Project wise break up of fair value of assets as at 31 March 2022:

Particulars	Fair value* As at 31 March 2022
Jodhpur Pali Expressway Private limited	7,634.78
Ulunderpet Expressways Private Limited	7,009.33
Godhra Expressways Private Limited	19,579.95
Dewas Bhopal Corridor Private Limited	16,194.45
Nirmal Bot Limited	1,951.16
Shillong Expressways Private Limited	1,519.49
	53,889.16

*Fair values of assets as disclosed above are the fair values of the total assets of the SPV Group which are included in the Special Purpose Combined Financial Statements.

Statement of total return at fair value:

Particulars	For the financial year ended 31 March 2022
Total comprehensive loss for the year (As per the Combined Statement of Profit and Loss)	(344.96)
Add: Other changes in fair value for the year *	2,482.11
Total return	2,137.15

*In the above statement, other changes in fair value for the financial year ended 31 March 2022 has been computed based on the difference in fair values of total assets as at 31 March 2022 and as at 31 March 2021 which are based on the valuation report of the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.

The accompanying notes form an integral part of the Special Purpose Combined Financial Statements.

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

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

Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: 08 July 2022



For and on behalf of the Board of Directors of
Virescent Infrastructure Investment Manager Private Limited
(acting as Investment Manager to Highway Infrastructure Trust)

Sanjay Grewal
Director
DIN: 01971866

Hardik Bhadrak Shah
Director
DIN: 06648474

Place: New Delhi
Date: 08 July 2022

Place: Mumbai
Date: 08 July 2022

Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

1. Corporate Information

The Special Purpose Combined Financial Statements comprise financial statements of Uhundurpet Expressways Private Limited ("UEPL"), Shillong Expressway Private Limited ("SEPL"), Jodhpur Pali Expressway Private Limited ("JPEPL"), Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Nirmal Bot Limited ("NBL") (individually referred to as "Project SPV" and together referred to as "Project SPV Group" or "Project SPV's") (hereinafter referred as Special Purpose Combined Financial Statements). The Project SPV's are companies domiciled in India.

UEPL has its registered office situated at Mumbai, Maharashtra. Its principal place of business is at 316-317, 'C' Wing, Kanakia Zillion, L.B.S Road, BKC Annex, Kurla (W), Mumbai -400 070.

SEPL was incorporated in New Delhi, India on 09 June 2010 as a private limited company under the Companies Act, 2013 (the 'Act') as 'Shillong Expressway Private Limited'. The Company was converted into a public limited company and the name was changed to 'Shillong Expressway Limited' with effect from 15 December 2010 and again got converted into private limited company with name changed to 'Shillong Expressway Private Limited' w.e.f. 04 August 2017.

JPEPL was incorporated in New Delhi, India on 10 January 2013 as a public limited company under the Companies Act, 2013 (the 'Act'). The Company was converted to private limited company w.e.f. 28 July 2017 and name changed to 'Jodhpur Pali Expressway Private Limited'.

GEPL has its registered office situated at Mumbai, Maharashtra. Its principal place of business is as 316-317, 'C' Wing, Kanakia Zillion, L.B.S Road, BKC Annex, Kurla (W), Mumbai -400 070.

DBCPL has its registered office situated at Mumbai, Maharashtra. Its principal place of business is at 316-317, 'C' Wing, Kanakia Zillion, L.B.S Road, BKC Annex, Kurla (W), Mumbai -400 070.

NBL is subsidiary of Galaxy Investments II Pte. Ltd (hereinafter referred as "Sponsor") and having its registered office situated at 316-317, C Wing, Kanakia Zillion, BKC Annex, LBS Road, Kurla West, Mumbai - 400 070.

UEPL, SEPL, GEPL, and NBL are special purpose vehicles which have entered into concession agreements with National Highways Authority of India (NHAI), DBCPL with Madhya Pradesh Road Development Corporation Limited (MPRDC) and JPEPL with PWD Rajasthan to design, build, finance, operate and transfer (DBFOT) or build, operate and transfer (BOT) national or state highways in various locations.

Galaxy Investments II Pte. Ltd (hereinafter referred as "Sponsor") constituted the Trust on 03 December 2021 as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and registered with Securities and Exchange Board of India ("SEBI") vide Certificate of Registration dated 23 December 2021 as an Infrastructure Investment Trust under Regulation 3(1) of the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014. The Trustee to Trust is Axis Trustee Services Limited (the "Trustee") and the Investment Manager for Trust is Virescent Infrastructure Investment Manager Private Limited (the "Investment Manager"). Sponsors proposed to transfer their shareholding in UEPL, SEPL, JPEPL, GEPL, DBCPL and NBL to Highways Infrastructure Trust (the "Trust"). As required by the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, the details of various entities comprised in the Special Purpose Combined Financial Statements is as given below:



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

Name of Project SPV	Residual Concession Life*	Proposed Shareholding by Trust	Nature of Proposed Investment	Status	Principal Activities	Country of incorporation
Ulundurpet Expressways Private Limited ("UEPL")	4 years, 11 months	100%	Subsidiary	Operating	Construction and operation of roads and bridges including toll / annuity collection	India
Shillong Expressway Private Limited ("SEPL")	3 years, 11 months	100%	Subsidiary	Operating		India
Jodhpur Pali Expressway Private Limited ("JEPL")	16 years, 6 months	100%	Subsidiary	Operating		India
Godhra Expressways Private Limited ("GEPL")	15 years, 11 months	100%	Subsidiary	Operating		India
Dewas Bhopal Corridor Private Limited ("DBCPL")	11 years, 2 months	100%	Subsidiary	Operating		India
Nirmal Bot Limited ("NBL")	5 years, 7 months	100%	Subsidiary	Operating		India

* Residual useful life as on 31 March 2022

2. Significant Accounting Policies

2.1 Overall consideration

The Special Purpose Combined Financial Statements have been prepared using the significant accounting policies and measurement bases summarized below. These were used throughout all periods presented in the consolidated financial statements.

a) Basis of preparation and presentation

The Special Purpose Combined Financial Statements of the Project SPV Group comprise the Combined Balance Sheets as on 31 March 2022, 31 March 2021 and 31 March 2020, Combined Statements of Profit and Loss, Combined Cash Flow Statements, Combined Statements of Changes in Equity for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020 and Combined Statement of Net Assets at Fair Value as at 31 March 2022 and the Combined Statement of Total Returns at Fair Value for the for the financial year ended 31 March 2022 and a Summary of Significant Accounting Policies and Other Explanatory Information.

The Special Purpose Combined Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Investment Manager on 08 July 2022.

The Special Purpose Combined Financial Statements have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("InvIT Regulations") and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India ("Guidance Note").

The Special Purpose Combined Financial Statements are special purpose financial statements and have been prepared by the Investment Manager to meet the requirements of InvIT Regulations and for inclusion in the updated preliminary placement memorandum, placement memorandum and final placement memorandum (collectively, 'the placement documents') prepared by the Investment Manager in connection with the private placement of units of the Highways Infrastructure Trust (hereinafter referred to as the "Trust"). As a result, the Special Purpose Combined Financial Statements may not be suitable for another purpose. Further, the Special Purpose Combined Financial Statements are not fully prepared in accordance with the requirements of Schedule III notified under the Companies Act, 2013.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

In accordance with the requirements of the InvIT Regulations, since the Trust is set up on 03 December 2021 and has been in existence for a period lesser than three completed financial years and the historical financial statements of Trust are not available for the entire portion of the reporting period of three years, the Special Purpose Combined Financial Statements have been disclosed for the periods when such historical financial statements were not available. Further, as required by the InvIT regulations, the Special Purpose Combined Financial Statements are prepared, based on an assumption that all Project SPV were part of Trust for such period when Trust was not in existence. However, the Special Purpose Combined Financial Statements may not be representative of the position which may prevail after the Project SPV Group is transferred to Trust.

The Special Purpose Combined Financial Statements are presented in India Rupees which is also the functional currency of the Project SPV Group. All values are rounded to the nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Special Purpose Combined Financial Statements correspond to the classification provisions contained in Ind AS 1 'Presentation of Financial Statements'. For clarity purposes, various items are aggregated in the Combined Statement of Profit and Loss and Combined Balance Sheet. These items are disaggregated separately in the notes to the Special Purpose Combined Financial Statements, where applicable or required.

These Special Purpose Combined Financial Statements have been prepared on a historical cost convention and on an accrual basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

b) Basis of Combination

The Special Purpose Combined Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the Project SPV used for the purpose of combination are drawn up to the same reporting date i.e. financial years ended on 31 March 2022, 31 March 2021 and 31 March 2020. The financial statements of the Project SPV have been prepared in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The procedure for preparing Special Purpose Combined Financial Statements of the Project SPV Group are stated below –

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Project SPV; and
- Eliminate, if any, in full intragroup assets and liabilities, equity, income, expenses and cash flows (as applicable) relating to transactions between entities of the Project SPV Group (profits or losses resulting from intragroup transactions that are recognized in assets are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

c) Date of commencement of commercial operations

The details of incorporation and commencement of operations of UEPL, SEPL, JPEPL, GEPL, DBCPL and NBL are as given below:

Name of the entity	Date of incorporation	Commencement of operation
Ulundurpet Expressways Private Limited ("UEPL")	20 March 2006	23 July 2009
Shillong Expressway Private Limited ("SEPL")	09 June 2010	28 February 2013
Jodhpur Pali Expressway Private Limited ("JPEPL")	10 January 2013	31 October 2014
Godhra Expressways Private Limited ("GEPL")	21 January 2010	31 October 2013
Dewas Bhopal Corridor Private Limited ("DBCPL")	14 May 2007	10 February 2009



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

Nirmal Bot Limited ("NBL")	19 September 2006	22 July 2009
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d) Use of estimates and judgements

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

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

The Project SPV Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be equal to the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below:

i. Revenue Recognition - Applicability of service concession agreement accounting

Appendix C of Ind AS 115 "Service concession arrangements" applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

More specifically, it applies to public to private service concession arrangement if the grantor:

- Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
- Controls through ownership or otherwise –any significant residual interest in the infrastructure at the end of the term of the arrangement.

The Project SPV – Shillong Expressway Private Limited ("SEPL") and Nirmal Bot Limited ("NBL") have the right to receive fixed annuity payments from NHAI during the concession period and have adopted 'Financial Asset Model'.

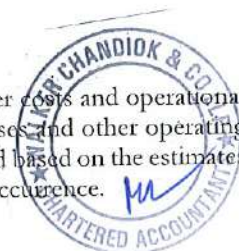
Accounting under "Financial Asset Model" involves extensive use of estimates. The management of Project SPV has allocated the contract revenues into distinct individual performance obligations i.e. Construction, operation and maintenance based on their relative stand-alone selling prices, which are derived in line with the amounts estimated by the Management of Project SPV basis the actual/estimated cost to be incurred. Accordingly, annuity payment receivable has been classified as a "Financial asset" at the inception of concession period at fair value. The future annuity payments have been bifurcated towards construction services and unearned finance income based on the effective interest rate model.

ii. Provisions and liabilities

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

iii. Provision for major maintenance obligation

The operating and maintenance cost includes routine, periodic/major maintenance, manpower costs and operational expenses, including, but not limited to, road and site work expenses, employee benefit expenses and other operating and maintenance costs. The provision for potential periodic / major maintenance cost is created based on the estimates provided by the management and the same is adjusted for actual expenditures in the year of occurrence.



iv. Fair valuation of interest free loans taken/given at inception

Interest free loan taken/given from related parties have been valued at fair value on inception at the applicable market rate of interest. The same is subsequently measured at amortized cost. The identification of applicable market rate of interest requires the application of judgement.

v. Fair value measurements

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

vi. Impairment of annuity and intangible assets

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the annuity and intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from forecasts over the life of the projects of Project SPV.

vii. Useful lives of depreciable/amortisable assets

Management of each Project SPV reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

viii. Defined benefit obligations (DBO)

Management of Project SPV estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

ix. Evaluation of indicators for impairment of assets

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

x. Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

xi. Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management of each Project SPV assesses the expected credit losses on outstanding receivables and advances.

xii. Contingent liabilities

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

xiii. Income taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.



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Summary of significant accounting policies and other explanatory information

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Project SPV Group in preparing its Special Purpose Combined Financial Statements:

a) Basis of classification as current and non-current

The Project SPV Group presents assets and liabilities in the combined balance sheet based on current/non-current classification.

An asset is current when it is:

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

All other assets have been classified as non-current.

A liability is current when:

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

The Project SPV Group classifies all other liabilities as non-current.

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

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

b) Fair value measurement

The Project SPV Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Project SPV Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Refer Note 37 for fair value hierarchy.

All assets and liabilities for which fair value is measured or disclosed in the Special Purpose Combined Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.



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Summary of significant accounting policies and other explanatory information

For assets and liabilities that are recognized in the Special Purpose Combined Financial Statements on a recurring basis, the Project SPV Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as annuity receivable and intangible assets, where required. Involvement of external valuers is decided by each Project SPV management on a need basis and relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management of each Project SPV decides after discussion with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management of each Project SPV analysis the movement of assets and liabilities which are required to be re-measured or reassessed as per the Project SPV accounting policies. For this analysis, the management of each Project SPV verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with each Project SPV external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Project SPV Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures of Statement of Net Assets at fair value and Statement of total returns at fair value
- Quantitative disclosures of fair value measurement hierarchy (note 37)
- Investment in quoted mutual fund (note 11)
- Financial instruments (including those carried at amortized cost) (note 38).

c) Revenue Recognition

Effective 01 April 2018, the Project SPV Group adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the Project SPV Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Project SPV Group and the revenue can be reliably measured, regardless of when the payment is being made.

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

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the Project SPV Group in any year.

Toll Collections

The income from Toll Contracts on BOT basis are recognised on actual collection of toll revenue (net of revenue share payable to NHAI) as per Concession Agreement. Revenue from electronic toll collection is recognised on accrual basis.



Claims with ('NHAI')/ ('MPRDC')

Claims with National Highways Authority of India ('NHAI') and other Government Authorities are accounted as revenue as and when it becomes probable that such claims will be received and which can be measured reliably.

In cases where the SPV Group has a contractual right to an extension in the concession period as per the concession agreement, for any losses incurred by the SPV Group, such claims are recognized as other operating income when the right for the compensation is established based on the facts and circumstances.

Contract revenue (Construction contracts)

Contract revenue associated with the construction of roads is recognized at cost of work performed on the contract plus proportionate margin, where required, using the percentage of completion method.

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the statement of profit or loss in the period in which the change is made and in subsequent periods.

Contract cost include costs that relate directly to the specific contract and allocated cost that are attributable to the Construction of the road.

Rendering of services

Revenue from major maintenance obligation and regular operation and maintenance is recognized over the period of contract as and when the services are rendered.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Project SPV Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the Project SPV Group's right to receive is established.

Other operating income/other income

All other operating income/income is recognized on accrual basis when no significant uncertainty exists on their receipt.

d) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will



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Summary of significant accounting policies and other explanatory information

be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Project SPV Group and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Project SPV Group will pay normal income tax during the specified period. Minimum alternate tax ("MAT") credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

e) Property, plant and equipment (PPE)

On transition to Ind AS, the Project SPV Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 01 April 2015 for all Project SPV other than DBCPL and 01 April 2018 for DBCPL measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 01 April 2015 and 01 April 2018 respectively.

Freehold land is carried as historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Project SPV Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation on property, plant and equipment held by UEPL, SEPL, JPEPL, GEPL and NBL is calculated on a straight-line basis over the estimated useful lives of respective assets as estimated by the management and is charged to the Statement of profit and loss as per the requirement of Part C of Schedule II of the Act.

Depreciation on property, plant and equipment held by DBCPL is provided on written down value method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

Depreciation on additions / (disposals) during the year is provided on a pro-rata basis i.e., from the date on which asset is ready for use and up to the date on which the asset is disposed of/fully depreciated.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods



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Summary of significant accounting policies and other explanatory information

of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Machinery spares which are specific to a particular item of PPE and whose use is expected to be irregular are capitalized as PPE. Spare parts are capitalized when they meet the definition of PPE, i.e., when the Project SPV Group intends to use these during more than a period of 12 months.

Freehold land held by Project SPV Group as per the requirement of NHAI/various Government Authorities and the amount of land is nominal hence it is not treated as investment property as per Ind AS 40.

f) Intangible assets

On transition to Ind AS, the Project SPV Group exercised first time adoption under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the Special Purpose Combined Financial Statements as at the date of transition (i.e. 01 April 2015 for all SPVs other than DBCPL and 01 April 2018 for DBCPL) measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

Accounting of intangible assets under Service Concession agreement

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") and design, build, finance, operate and transfer (DBFOT) project undertaken by the Project SPV. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to "NHAI"/"MPRDC", if any. Till the completion of the project, the same is recognized under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development. Extension of concession period by the authority in compensation for claims made by the Project SPV are capitalized as part of Toll Collection Rights when it is probable that such claims will be received and can be measured reliably.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Grant received if any are considered as a part of total outlay of the construction project. The same shall be recognized when the entity complies with the conditions attaching to the collection of grant considered as a financial asset and it shall be simultaneously reduced from the cost of acquisition of the intangible asset and are recognized.

Intangible assets that are not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development."

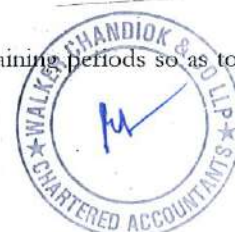
Other intangible assets

Other intangible assets comprise of cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Project SPV Group and the cost of the item can be measured reliably, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are derecognized when no future economic benefits are expected from use or disposal.

Amortisation of intangible assets under Service Concession agreement

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue-based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue-based method, amortization is provided based on proportion of actual revenue to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.



Amortization of other intangible assets

Other Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Specialized software held by the Project SPV Group is amortized over a period of six years on straight line basis from the month in which the addition is made.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

The above periods also represent the management estimated economic useful life of the respective intangible assets.

g) Accounting of financial asset under Service Concession Agreement

The management has determined that the "Financial Asset" model under Appendix C of Ind AS 115 "Service Concession Agreements" is applicable to the concession of SEPL and NBL. In particular, they note that grantor (NHAI/State authorities) has the primary responsibility to pay to the operator ("SPV").

Under the arrangement, the SPV recognizes a financial asset arising from service concession agreement as it has an unconditional right to receive cash from grantor (NHAI/State authorities) for the construction service, major maintenance obligations and regular operation and maintenance services over the concession period. Such financial asset is measured at fair value on initial recognition and classified under the head "Trade Receivable". Subsequent to initial recognition, the financial asset is measured at amortized cost. Under this model, the financial asset will be reduced as and when grant is received from Grantor (NHAI/State authorities).

As per the salient feature of the arrangement, the operator ("SPV") has a two-fold activity based on which revenue is recognized in the Special Purpose Combined Financial Statements in line with the requirement of Appendix C of Ind AS 115. The activities are given below:

- a. a construction activity in respect of its obligation to design, build, finance an asset that it makes available to the Grantor (NHAI/State authorities)
- b. Revenue from major maintenance obligation and operation and maintenance activity in respect of the assets during the concession period in accordance with Ind AS 115.

h) Lease

Where the SPV Group is the lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration'. To assess whether a contract conveys the right to control the use of an identified asset, the Project SPV Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Project SPV Group obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Project SPV Group has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Project SPV Group recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Project SPV Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).



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Summary of significant accounting policies and other explanatory information

The Project SPV Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Project SPV Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate.

Subsequent measurement

The Project SPV Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Project SPV Group also assesses the right-of-use asset for impairment when such indicators exist.

The liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Project SPV Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Project SPV Group is the lessor

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Project SPV Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Contingent rents are recognized as revenue in the period in which they are earned.

Leases in which the Project SPV Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight-line basis over the lease term. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease.

i) Impairment of non-financial assets

At each reporting date, the Project SPV Group assesses whether there is any indication based on internal/external factors, that an asset (tangible and intangible) may be impaired. If any such indication exists, estimate the recoverable amount of the asset / cash generating unit. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

j) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Project SPV Group 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. When the Project SPV Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when there is a possible obligation that arises from events and whose existence is only confirmed by one or more doubtful future events or when there is an obligation that is not recognized as a liability or provision because it is not likely that an outflow of resources will be required.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognized only when realization of income is virtually certain.

k) Financial Instruments

Financial assets

Initial recognition and measurement

Financial instruments are recognised when the Project SPV Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

i. **Financial assets at amortised cost**- A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. **Financial assets at fair value**

Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Project SPV Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

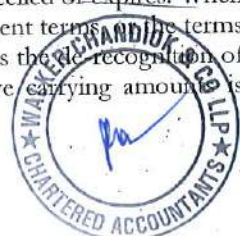
All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognised in the statement of profit and loss.



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a Project SPV group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Project SPV Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Project SPV Group in accordance with the contract and all the cash flows that the Project SPV Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Project SPV Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

m) Trade receivables:

In respect of trade receivables, the Project SPV Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

n) Other financial assets:

In respect of its other financial assets, the Project SPV Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Project SPV Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Project SPV Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Project SPV Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Project SPV Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

o) Segment reporting

The Project SPV Group is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" is considered as the only segment. The Project SPV Group's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

p) Employee benefits



The Project SPV Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Project SPV Group pays fixed contributions into an independent fund administered by the government. The Project SPV Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Project SPV Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Project SPV Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the Special Purpose Combined Financial Statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q) Borrowing costs

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Project SPV Group incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s) Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- a. transactions of a non-cash nature;
- b. any deferrals or accruals of past or future operating cash receipts or payments; and
- c. all other items of income or expense associated with investing or financing cash flows.



The cash flows from operating, investing and financing activities of the Project SPV Group are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

t) Prior period error

As per Ind AS -8, Accounting Policies, Change in Accounting Estimates & prior period Item an entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by:

- Restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

u) Recent accounting pronouncements issued but not made effective

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

Group is evaluating the impact of the above amendments on the Special Purpose Combined Financial Statements.



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

3. Property, plant and equipment
Property, plant and equipment

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	130.04	66.93	62.05
	130.04	66.93	62.05

The changes in the carrying value of property, plant and equipment for year ended 31 March 2022, 31 March 2021, 31 March 2020

Description	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block								
Balance as at 01 April 2019	4.37	1.14	45.36	6.58	21.49	15.40	7.00	101.34
Additions for the year	-	-	2.30	0.96	2.63	1.99	1.29	9.17
Transfer from capital work in progress during the year	-	11.98	-	-	-	-	-	11.98
Balance as at 31 March 2020	4.37	13.12	47.66	7.54	24.12	17.39	8.29	122.49
Additions for the year	-	-	8.05	0.48	1.71	6.04	4.18	20.46
Disposals/adjustments for the year	-	-	-	(0.20)	-	(0.24)	(0.73)	(1.17)
Balance as at 31 March 2021	4.37	13.12	55.71	7.82	25.83	23.19	11.74	141.78
Additions for the year	-	1.85	27.55	0.76	6.50	33.82	2.33	72.81
Transfer from capital work-in-progress during the year	-	-	9.40	-	-	-	-	9.40
Disposals/adjustments for the year	-	-	(0.53)	(0.03)	(0.89)	(0.55)	(0.22)	(2.22)
Balance as at 31 March 2022	4.37	14.97	92.13	8.55	31.44	56.46	13.85	221.77
Accumulated depreciation								
Balance as at 01 April 2019	-	0.64	20.44	2.71	8.59	7.73	5.75	45.86
Charge for the year	-	0.21	7.39	0.25	2.94	2.82	0.97	14.58
Disposals/adjustments for the year	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	0.85	27.83	2.96	11.53	10.55	6.72	60.44
Charge for the year	-	0.67	6.96	0.31	3.13	3.08	1.16	15.31
Disposals/adjustments for the year	-	-	-	(0.19)	-	(0.03)	(0.68)	(0.90)
Balance as at 31 March 2021	-	1.52	34.79	3.08	14.66	13.60	7.20	74.85
Charge for the year	-	0.70	6.74	0.46	3.47	4.90	2.21	18.47
Disposals/adjustments for the year	-	-	(0.31)	(0.03)	(0.67)	(0.37)	(0.22)	(1.59)
Balance as at 31 March 2022	-	2.22	41.22	3.51	17.46	18.13	9.19	91.73
Net block as at 31 March 2020	4.37	12.27	19.83	4.58	12.59	6.84	1.57	62.05
Net block as at 31 March 2021	4.37	11.60	20.92	4.74	11.17	9.59	4.54	66.93
Net block as at 31 March 2022	4.37	12.75	50.92	5.04	13.99	38.33	4.65	130.04

Notes:

(i) Contractual obligations :

Refer note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 31 and 17(a)



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

4. Capital work-in-progress

Plant and equipment

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	2.39	9.40	-
	2.39	9.40	-

The changes in the carrying value of capital work-in-progress for year ended 31 March 2022, 31 March 2021 and 31 March 2020

Particulars	Amount
Capital work-in-progress as at 01 April 2019	6.58
Add: additions during the year	5.40
Less: transfer to property, plant and equipment during the year	(11.98)
Capital work-in-progress as at 31 March 2020	-
Add: additions during the year	9.40
Capital work-in-progress as at 31 March 2021	9.40
Add: additions during the year	2.30
Less: transfer to property, plant and equipment during the year	(9.40)
Capital work-in-progress as at 31 March 2022	2.39

Note:

(i) Contractual obligations :

Refer note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) For assets pledged as security, refer note 31 and 17(a)



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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

5. Intangible assets
Intangible assets

As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
20,246.56	21,249.03	22,159.81
20,246.56	21,249.03	22,159.81

The changes in the carrying value of intangible assets for year ended 31 March 2022, 31 March 2021

Description	Toll collection rights	Software	Total intangible assets
Gross block			
Balance as at 01 April 2019	28,705.60	12.90	28,718.50
Additions for the year	16.81	0.26	17.07
Balance as at 31 March 2020	28,722.41	13.16	28,735.57
Additions for the year	0.57	0.52	1.09
Disposals/adjustments for the year	(7.36)	-	(7.36)
Balance as at 31 March 2021	28,715.62	13.68	28,729.30
Additions for the year	1.19	-	1.19
Disposals/adjustments for the year	(4.71)	-	(4.71)
Balance as at 31 March 2022	28,712.09	13.68	28,725.78
Accumulated amortisation			
Balance as at 01 April 2019	5,549.85	1.82	5,551.67
Change for the year	1,022.70	1.39	1,024.09
Balance as at 31 March 2020	6,572.55	3.21	6,575.76
Change for the year	903.07	1.43	904.50
Balance as at 31 March 2021	7,475.62	4.64	7,480.26
Change for the year	997.48	1.49	998.97
Balance as at 31 March 2022	8,473.10	6.13	8,479.22
Net block as at 31 March 2020	22,149.86	9.95	22,159.81
Net block as at 31 March 2021	21,240.00	9.03	21,249.03
Net block as at 31 March 2022	20,239.00	7.55	20,246.56

Notes:

- (i) Contractual obligations
Refer note 35 for disclosure of capital and other commitments for the acquisition of intangible assets.
(ii) For assets pledged as security, refer note 31 and 17(a)

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
6 Others financial assets			
Non-current			
Unsecured, considered good			
Receivables under service concession arrangements (refer note 7 (i) below)	1,024.92	1,492.53	1,861.32
Bank deposits with more than 12 months maturity*	357.96	133.85	-
	1,382.88	1,626.38	1,861.32

*includes interest accrued but not due

7 Others financial assets			
Current			
Unsecured, Considered good			
Receivables under service concession arrangements (refer note 7 (i) below)	919.31	919.20	919.14
Other receivables	17.51	25.88	15.59
Security deposits	4.79	4.72	4.95
	941.61	949.80	939.68

Notes:

(i) Movement in receivables under service concession arrangements during the financial year :

Opening balance	2,411.73	2,780.46	2879.09
Add: Interest income on annuity receivable from National Highway Authority of India ('NHAI') (refer note 24)	256.17	300.73	338.18
Add: Revenue from operations and maintenance of road (refer note 24)	-	25.30	308.70
Add: Revenue from periodic maintenance of road (refer note 24)	198.01	134.97	136.78
Add: Modification gain on annuity	51.71	143.66	91.10
Less: Annuity received from NHAI	(973.39)	(973.39)	(973.39)
Closing balance	1,944.23	2,411.73	2,780.46

(ii) Movement in receivables under service concession arrangements during the financial year :

- Non-current (refer note 6)	1,024.92	1,492.53	1,861.32
- Current (refer note 7)	919.31	919.20	919.14
	1,944.23	2,411.73	2,780.46

(iii) Refer note 37 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 38 - Financial risk management for assessment of expected credit losses.

(iv) For assets pledged as security, refer note 31 and 17(a)

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
8 Non-current tax assets (net)			
Advance income tax (net)	89.40	74.29	77.52
	89.40	74.29	77.52
9 Other non-current assets			
<i>(Unsecured, considered good)</i>			
Capital advances	-	0.45	0.45
	-	0.45	0.45
10 Other current assets			
<i>(Unsecured, considered good)</i>			
Supplier advances	1.80	43.18	10.88
Balances with statutory authorities	22.46	17.66	20.71
Prepaid expenses	48.08	61.29	78.23
Other receivables	0.22	0.01	0.02
	72.56	122.14	109.84
11 Investments			
Current			
Investment in mutual funds- quoted (fully paid)^	2,152.39	2,156.37	2,465.11
	2,152.39	2,156.37	2,465.11
Notes:			
Aggregate amount of quoted investments- at market value	2,152.39	2,156.37	2,465.11
Aggregate amount of quoted investments- at cost	2,102.25	2,112.45	2,379.23
For assets pledged as security, refer note 31 and 17(a)			
^ These are measured at fair value through profit and loss ('FVTPL')			
(a) Details of investment in mutual funds- quoted (fully paid)			
IDFC Overnight Fund Direct Plan - Growth- 18,98,422 units as at 31 March 2022 (31 March 2021: 1,964,117 units; 31 March 2020: 2,301,276 units) (refer note a and b below)	2,152.39	2,156.37	2,465.11

Notes

- a Includes Rs 55.40 million (51,980.868 units) invested in mutual fund on 31 March 2020, however the units were received subsequently .
- b Includes Rs 9.50 million (8,649.485 units) invested in mutual fund on 31 March 2021, however the units were received subsequently .

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
12 Trade receivables			
Unsecured, considered good	37.30	68.92	87.48
	<u>37.30</u>	<u>68.92</u>	<u>87.48</u>

Notes:

- For assets pledged as security, refer note 31 and 17(a)
- The SPV Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk.
- Refer note 38 - Financial risk management for assessment of expected credit losses.

13 Cash and cash equivalents

Balances with banks:

- in current accounts	52.89	69.83	120.18
- deposits with original maturity less than three months*	308.92	-	50.23
Cash on hand	4.01	9.98	4.50
	<u>365.82</u>	<u>79.81</u>	<u>174.91</u>

* Includes interest accrued but not due

Notes:

- Refer note 31 and 17(a) for cash and cash equivalents which are under restriction or pledged.
- Other than as disclosed, there are no repatriation restrictions with respect to cash and cash equivalents as at the end of the respective reporting years.

14 Bank balances other than cash and cash equivalents above

Fixed deposit with bank

Deposits with original maturity more than three months but less than twelve months*	1,972.62	1,622.21	859.13
	<u>1,972.62</u>	<u>1,622.21</u>	<u>859.13</u>

* Includes interest accrued but not due

Notes:

- Refer note 31 and 17(a) for other bank balances which are under restriction/ pledged.
- Other than as disclosed, there are no repatriation restrictions with respect to other bank balances as at the end of the respective reporting periods.

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

15 Equity share capital

Authorised share capital

414,750,000 (31 March 2021 : 414,750,000 ; 31 March 2020 : 414,750,000) equity shares of ₹10 each
75,900,000 (31 March 2021 : 75,900,000 ; 31 March 2020 : 75,900,000) preference shares of ₹10 each

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	4,147.50	4,147.50	4,147.50
	759.00	759.00	759.00
	4,906.50	4,906.50	4,906.50
	3,200.95	3,200.95	3,200.95
	3,200.95	3,200.95	3,200.95

Issued share capital

320,094,845 (31 March 2021 : 320,094,845 ; 31 March 2020 : 320,094,845) equity shares of ₹10 each

(i) Terms/rights attached to equity share capital :

The SPV Group has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the SPV Group, holders of equity shares will be entitled to receive the remaining assets of the SPV, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year :

	31 March 2022			31 March 2021			31 March 2020		
	No. of shares	Amount		No. of shares	Amount		No. of shares	Amount	
Equity share capital of ₹ 10 each fully paid up									
Balance at the beginning of the year	320,094,845	3,200.95		320,094,845	3,200.95		320,094,845	3,200.95	
Add: Shares issued during the year	-	-		-	-		-	-	
Balance at the end of the year	320,094,845	3,200.95		320,094,845	3,200.95		320,094,845	3,200.95	

(iii) Shareholders holding more than 5% of shares of the SPV Group as at balance sheet date

	As on 31 March 2022			As on 31 March 2021			As on 31 March 2020		
	No. of shares	% of shareholding		No. of shares	% of shareholding		No. of shares	% of shareholding	
India Infrastructure Fund and its nominees	-	-		264,552,365	82.65%		264,552,365	82.65%	
India Infrastructure fund II and its nominees	-	-		24,042,280	7.51%		24,042,280	7.51%	
Highway Concessions One Private Limited and its nominees	-	-		31,500,000	9.84%		31,500,000	9.84%	
Galaxy Investments II Pre. Ltd. and its nominees	320,094,845	100.00%		-	-		-	-	

(iv) No shares have been issued by the SPV Group for consideration other than cash, during the period of five years immediately preceding the reporting periods.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
16 Other equity			
Equity component of loan to related parties	384.95	384.95	384.95
Securities premium	2,874.88	2,874.88	2,874.88
Debenture redemption reserve	174.91	164.19	414.72
Capital redemption reserve	2.83	2.83	2.83
Retained earnings	(6,249.66)	(5,893.98)	(5,297.12)
	(2,812.09)	(2,467.13)	(1,619.74)

Description of nature and purpose of each reserve:

Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Debenture redemption reserve

Debenture redemption reserve is created out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Capital redemption reserve

Capital redemption reserve has been created as a result of transfer of the nominal value of shares upon buyback of shares, in accordance with Section 69 of the Act.

Equity component of loan

This includes the equity component of the long term loan taken from GMR Highway Limited and India Infrastructure Fund. The equity component represents the interest-free feature of the loan. The liability component is reflected in non-current borrowings. (refer note 17)

Retained earnings

Retained earnings are created from the profit / loss of the SPV Group, as adjusted for distributions to owners, transfers to other reserves, etc.

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
17 Borrowings*			
A Non current			
Secured			
Term loan from banks	1,720.97	2,043.30	2,250.78
Term loan from financial institutions	2,753.37	3,177.74	3,232.18
Non-convertible debentures	8,337.70	9,413.25	9,967.02
Unsecured			
Loan from			
- related parties	-	325.91	324.92
- others	470.62	427.83	388.94
Optionally convertible debentures (OCD's)	-	6,864.12	6,300.25
Compulsory convertible debentures (CCD's)	7,978.14	-	-
Total Non-current borrowings (A)	21,260.80	22,252.15	22,464.09
B Current			
Unsecured			
Liability component of compound financial instruments	519.08	519.08	531.84
Secured			
<i>Current maturities of long-term borrowings</i>			
- Term loans from banks	324.21	293.65	261.25
- Term loans from financial institutions	422.72	55.81	43.40
- Non-convertible debentures	741.62	873.67	825.07
Total current borrowings (B)	2,007.63	1,742.21	1,661.56
Total borrowings (A+B)	23,268.43	23,994.36	24,125.65

*refer note 17(ii) for repayment terms and security details of the outstanding non-current borrowings (including current maturities)

(i) Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Non-current and current borrowings
Balance as at 01 April 2019	24,216.83
<i>Cash flows:</i>	
Proceeds	858.69
Repayment/Redemption	(1,800.01)
<i>Non-cash:</i>	
Interest on optionally convertible debentures ('OCD') and processing charges	850.14
Balance as at 31 March 2020	24,125.65
<i>Cash flows:</i>	
Proceeds	111.68
Repayment/Redemption	(1,103.30)
<i>Non-cash:</i>	
Interest on optionally convertible debentures ('OCD') and processing charges	860.33
Balance as at 31 March 2021	23,994.36
<i>Cash flows:</i>	
Proceeds	7,978.15
Repayment/Redemption	(9,511.00)
<i>Non-cash:</i>	
Interest on optionally convertible debentures ('OCD') and processing charges	806.92
Balance as at 31 March 2022	23,268.43



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
18 Other financial liabilities			
A Non current			
Deferred payment liabilities-payable to concession authorities for toll collection rights	1,276.93	1,265.55	1,243.06
	1,276.93	1,265.55	1,243.06
B Current			
Deferred payment liabilities-payable to concession authorities for toll collection rights	130.04	123.85	117.44
Retention money	52.35	27.91	27.78
Interest accrued but not due borrowings	366.76	120.22	107.84
Employees payable	5.58	6.73	3.89
Other payables	94.64	24.48	3.55
	649.37	303.19	260.50
Refer note 37 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 38 - Financial risk management for assessment of expected credit losses.			
19 Provisions			
A Non-current			
Provision for employee benefits			
Gratuity (refer note 33)	8.06	7.43	6.79
Compensated absences	4.65	4.47	4.22
Other provisions			
Major maintenance obligation (refer note (i)(a) and (ii) below)	311.84	560.06	576.45
	324.55	571.96	587.46
B Current			
Provision for employee benefits			
Gratuity (refer note 33)	0.32	0.20	0.13
Compensated absences	0.45	0.38	0.40
Other provisions			
Major maintenance obligation (refer note (i)(a) and (ii) below)	279.05	579.50	262.10
	279.82	580.08	262.63

Notes:

(i) Information about individual provisions and significant estimates

(a) Provision for major maintenance obligation

Each SPV of the SPV Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to NHAI/ State Government authorities as per the maintenance standards prescribed in respective concession arrangements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repair of structures and other equipments and maintenance of service roads. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually. Considering that the expense to be incurred depends on various factors including the usage, wear and tear of the highway, bituminous overlay, etc, is not possible to estimate the exact timing and the quantum of the cash flow. The management does not expect any re-imbursement towards the expenses to be incurred.

(ii) Movement in major maintenance obligation during the financial year :

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
- Non-current	311.84	560.06	576.45
- Current	279.05	579.50	262.10
Total provision	590.89	1,139.56	838.55
Balance as at 01 April 2019			779.61
Additions during the year			323.51
Utilised during the year			(333.34)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate			68.78
Balance as at 31 March 2020			838.55
Additions during the year			428.45
Utilised during the year			(187.41)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate			59.97
Balance as at 31 March 2021			1,139.56
Additions during the year			310.20
Utilised during the year			(937.31)
Increase in the discounted amount arising from the passage of time and effect of any change in discount rate			78.44
Balance as at 31 March 2022			590.89



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
20 Deferred tax liabilities (net)*			
Deferred tax liability arising on account of:			
Timing difference on amortisation of intangible assets and depreciation of property plant and equipment	1,632.90	1,513.92	1,446.42
Adjustment on account of interest free loan and upfront fees on borrowings	2.34	3.44	4.18
Fair valuation of investments	2.07	1.19	3.30
Deferred tax asset arising on account of:			
Adjustment on account of interest on Other Convertible Debentures ('OCD's)	-	297.54	240.46
Provision for major maintenance obligation	66.53	168.74	140.56
Amount payable to NHAI as per service concession agreement	287.52	280.30	267.30
Unused business loss	-	146.86	99.77
Tax credit (minimum alternative tax)	433.90	290.54	215.70
Deferred tax liabilities (net)	849.36	334.57	490.12

* refer note 32 for details with respect to deferred tax not recognized on unused tax losses and credits

Movement in deferred tax liabilities (net)

Particulars	01 April 2019	Recognised in Statement of Profit and Loss	31 March 2020
Liabilities			
Temporary difference on amortisation of intangible assets and depreciation of property plant and equipment	1,310.66	135.76	1,446.42
Adjustment on account of interest free loan and upfront fees on borrowings	5.07	(0.89)	4.18
Fair valuation of investments	1.32	1.98	3.30
Assets			
Adjustment on account of interest on Other Convertible Debentures ('OCD's)	151.49	88.96	240.46
Provision for major maintenance obligation	98.62	41.94	140.56
Amount payable to NHAI as per service concession agreement	260.03	7.26	267.30
Unused business loss	137.24	(37.47)	99.77
Tax credit (minimum alternative tax)	177.14	38.57	215.70
	492.53	(2.41)	490.12

Particulars	01 April 2020	Recognised in Statement of Profit and Loss	31 March 2021
Liabilities			
Temporary difference on amortisation of intangible assets and depreciation of property plant and equipment	1,446.42	67.50	1,513.92
Adjustment on account of interest free loan and upfront fees on borrowings	4.18	(0.74)	3.44
Fair valuation of investments	3.30	(2.11)	1.19
Assets			
Adjustment on account of interest on Other Convertible Debentures ('OCD's)	240.46	57.08	297.54
Provision for major maintenance obligation	140.56	28.18	168.74
Amount payable to NHAI as per service concession agreement	267.30	13.00	280.30
Unused business loss	99.77	47.08	146.86
Tax credit (minimum alternative tax)	215.70	74.84	290.54
	490.12	(155.54)	334.57

Particulars	01 April 2021	Recognised in Statement of Profit and Loss	31 March 2022
Liabilities			
Temporary difference on amortisation of intangible assets and depreciation of property plant and equipment	1,513.92	118.98	1,632.90
Adjustment on account of interest free loan and upfront fees on borrowings	3.44	(1.10)	2.34
Fair valuation of investments	1.19	0.88	2.07
Other	-	-	-
Assets			
Adjustment on account of interest on Other Convertible Debentures ('OCD's)	297.54	(297.54)	-
Provision for major maintenance obligation	168.74	(102.21)	66.53
Amount payable to NHAI as per service concession agreement	280.30	7.20	287.52
Unused business loss	146.86	(146.86)	-
Tax credit (minimum alternative tax)	290.54	143.36	433.90
	334.57	514.79	849.36



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

21 Trade payables

Total outstanding dues of micro and small enterprises [refer note (i) below]
Total outstanding dues to others

As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
18.66	0.08	14.94
302.14	211.24	198.33
320.80	211.32	213.27

Note:

(i) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the SPV Group, the following are the details:

a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	18.66	0.08	14.94
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

22 Other current liabilities

Advance from customers
Mobilisation advance from concession authority
Payable to statutory authorities
Other payables

-	-	2.98
30.15	14.82	23.24
1.01	1.00	4.73
31.16	15.82	30.95

23 Current tax liabilities (net)

Provision for income tax (net)

4.29	15.06	2.45
4.29	15.06	2.45

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17 (b)-Notes:
For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

Sl. No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
1	Term loans from banks (secured)	Shillong Expressway Private Limited	701.70	928.74	-	<p>Rate of Interest and Repayment Terms Indian rupee term loans from banks as at 31 March 2022 of ₹ 701.70 millions (31 March 2021: ₹ 928.74 millions, 31 March 2020: ₹ Nil) which carries average interest rate of 7.6% (31 March 2021: 7.6%, 31 March 2020: Nil). Loan is repayable in percentage of facility at semi annually instalments.</p> <p>The Rupee loan is secured by the way of: First pari-passu charge on Pledge of 30% of equity shares and preference shares and Non Disposal Undertaking of 21% each of equity shares and preference shares of the Project SPV held by the sponsor in dematerialized form aggregating to 51% each of the total paid up equity share capital and preference shares of the Project SPV. Provided that any enforcement of pledge over the shares shall be subject to the applicable provisions of the concession agreement and the prior written approval of NHAI as provided therein. The shares to be pledged shall be free from any restrictive covenants / lien or other encumbrance under any contract / arrangement including shareholder agreement / joint venture agreement / financing arrangement.</p> <p>Loan is repayable in percentage of facility at semi annually instalments</p>
2	Term loans from banks (secured)	Jodhpur Pal Expressway Private Limited	1,343.50	1,408.21	1,573.60	<p>Rate of Interest and Repayment Terms Indian rupee term loans from banks as at 31 March 2022 of ₹ 1,343.50 millions (31 March 2021: ₹ 1,408.21 millions, 31 March 2020: ₹ 1,573.60 millions) which carries average interest rate of 9.50% (31 March 2021: 9.50%, 31 March 2020: 10.20%). The loan is to be repaid in 67 unequal quarterly instalments starting from 15 October 2017 and ending on 15 July 2024.</p> <p>The term loan is secured by the way of: First pari-passu charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first pari-passu charge on the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. First pari-passu pledge of 51% of equity share capital of the Borrower held by the Sponsor.</p> <p>To enable the change in ownership of the Project J13 from India Infrastructure Fund - II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Auctioned Dealer (AD) Bank as per application filed on 6 June 2022, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank.</p>
3	Term loans from banks (secured)	Shillong Expressway Private Limited	-	-	893.13	<p>Rate of Interest and Repayment Terms Indian rupee term loans from banks as at 31 March 2022 of ₹ Nil (31 March 2021: ₹ Nil, 31 March 2020: ₹ 893.13 millions) which carries average interest rate of NA (31 March 2021: NA, 31 March 2020: 8.5%). Loan is repayable in percentage of facility at semi annually instalments.</p> <p>The term loan is secured by the way of: First pari-passu charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first pari-passu charge on the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts.</p> <p>First pari-passu pledge of 30% of equity share capital of the Borrower and 30% of the preference share capital of the Borrower held by the Sponsor. Non-disposal undertaking in relation to 21% of equity and preference share capital and 21% of the Sponsor Intensions (including OCIDs issued by the Borrower).</p>



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ million unless otherwise stated)

Sl. No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
4	Term loans from banks (secured)	Shilling Expressway Private Limited			243.29	<p>Rate of Interest and Repayment Terms: Indian rupee term loans from Bank as at 31 March 2022 of ₹ Nil (31 March 2021: ₹ Nil; 31 March 2020: ₹ 243.29 millions) which carries average interest rate of Nil (31 March 2021: Nil; 31 March 2020: 8%). Loan is repayable in percentage of facility at semi annually instalments.</p> <p>The term loan is secured by the way of: Part pass second charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of second part passu charge on the rights, title, interest, benefits, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefits, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. First part passu pledge of 30% of equity share capital of the Borrower and 30% of the preference share capital of the Borrower held by the Sponsor. Non-disposal undertaking in relation to 21% of equity and preference share capital and 21% of the Sponsor's share capital (including OCs issued by the Borrower).</p>
5	Term loan from financial institutions (Secured)	Dewan Bhupal Corridor Private Limited	1,253.88	1,264.55	1,303.20	<p>Rate of Interest and Repayment Terms: Indian rupee term loans from Financial Institution as at 31 March 2022 of ₹ 1,253.88 millions (31 March 2021: ₹ 1,264.55 millions; 31 March 2020: ₹ 1,303.20 millions) which carries rate of interest rate of 8.50%, pa (31 March 2021: 8.50% pa for both RLT-I and RLT-II; 31 March 2020: 9.25% pa for RLT-I and 9.65% for RLT-II). The interest rate is linked to 6-month MCLR of SBI plus spread of respective facility with MCLR, reset on semi-annual basis and spread reset on annual basis. Both the term loans are repayable in 53 unequal quarterly instalments starting from 31 March 2018 and ending on 31 March 2031.</p> <p>The loan is secured by first charge on: (a) all movable assets present and future except the project assets; (b) all revenues which may be received by the Borrower under the Project Documents or otherwise; (c) all bank accounts of the Borrower; (d) all intangibles including goodwill, undertaking of the Borrower, uncollected capital, trademarks, patents, present and future; (e) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents, all as amended, varied or supplemented from time to time; (f) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contractor guarantee and liquidated damages and performance bond provided by any party to the Project Documents; (g) all the right, title, interest, benefits, claims and demands whatsoever of the Borrower under the insurance Contracts; and (h) by way of pledge of Shares of 51% of the Equity of the SPV, and charge on 51% of Loans and Other Securities, subject to the terms of the financing agreements, the Concession Agreement and Escrow Agreement.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galax Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 20 December 2021 for No-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and will receive the pledge, since it has received NOC from AD bank on 25 April 2022.</p>

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
6	Term loan from financial institutions (Secured)	Godfrin Expressways Private Limited	156.73	156.73	158.40	<p>Rate of Interest and Repayment Terms Indian rupee term loans from Financial Institution as at 31 March 2022 of ₹ 156.62 millions (31 March 2021: ₹ 156.73 millions; 31 March 2020: ₹ 158.40 millions) which carries interest rate of 11 March 2022: 10.50%, 31 March 2021: 10.50%, 31 March 2020: 10.50% per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036.</p> <p>The term loan is secured by the way of: a) first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; b) a first charge on all the Borrower's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, current assets and non-current assets, both present and future, save and except the Project Assets; c) a first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Accounts (including the DSRA and the MIRA) for any account in substitution thereof that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited in the Escrow Account, and a first charge on the receivables and</p> <p>d) First charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date.</p> <p>A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till March 31, 2023.</p> <p>Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the aforementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for Non-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank, in terms of the FEMA regulations and will receive the pledge, since it has received NOC from AD bank on 25 April 2022.</p>
7	Term loan from financial institutions (Secured)	Ullanduper Expressways Private Limited	1,795.38	1,812.27	1,811.08	<p>Rate of Interest and Repayment Terms Indian rupee term loans from Financial Institution as at 31 March 2022 of ₹ 156.62 millions (31 March 2021: ₹ 156.73 millions; 31 March 2020: ₹ 158.40 millions) which carries interest rate of 31 March 2022: 10.50%, 31 March 2021: 10.50%, 31 March 2020: 10.50% per annum payable monthly. The loan is to be repaid in 67 unequal quarterly instalments starting from 30 September 2019 and ending on 28 February 2036.</p> <p>The term loan is secured by the way of: a) first mortgage and charge on all the Borrower's Mortgaged Properties, immovable properties, both present and future, save and except the Project Assets; b) a first charge on all the Borrower's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, current assets and non-current assets, both present and future, save and except the Project Assets; c) a first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Accounts (including the DSRA and the MIRA) for any account in substitution thereof that may be opened in accordance with the Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited in the Escrow Account, and a first charge on the receivables and</p> <p>d) First charge by way of pledge of Shares held by the Sponsor representing 51% of Equity Share Capital till the Final Settlement Date.</p> <p>A Non-Disposal Undertaking by the Sponsor, undertaking non-disposal of 49% of Shares till March 31, 2023.</p> <p>Assignment of the Sponsor's rights in relation to 51% of Sponsor Contributions and 51% of Sponsor Debentures in favour of Project Security Trustee.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the aforementioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting Non-Objection Certificate (NOC) from the Authorized Dealer (AD) Bank as per application filed on 24 December 2021, in terms of the FEMA regulations, and will receive the pledge over the said NOC received from the AD bank.</p>

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Sl. No.	Name of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
1	Non-convertible debentures (Secured)	Dewan Bhupal Gurmehar Private Limited	1,613.56	1,628.17	1,642.75	<p>Rate of Interest and Repayment Terms</p> <p>Non-Convertible Debentures from Financial Institution of ₹1,613.56 millions (31 March 2021: ₹1,628.17 millions; 31 March 2020: ₹1,642.75 millions) which carries average interest rate of 8.28% (31 March 2021: 8.28%, 31 March 2020: 8.28%). The NCDs are redeemable in 37 unequal quarterly instalments starting from 31 March 2016 and ending on 31 March 2030.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <p>(a) SPV's movable properties, both present and future, except project assets;</p> <p>(b) All accounts, both present and future including escrow account, major maintenance reserve, DSRA and other reserves and bank accounts of borrower;</p> <p>(c) Intangible assets including goodwill, rights, undertaking and uncalled capital, excluding project assets;</p> <p>(d) By way of pledge of Shares of 31% of the Equity of the SPV, subject to the terms of the financing agreement, the Concession Agreement and Escrow Agreement; and</p> <p>(e) All the rights, title interest, benefits, claims and demands of borrower in project agreements, government approvals, letter of credit, guarantees;</p> <p>(f) A first charge by way of mortgage over identified immovable properties, save and except Project Assets</p> <p>(g) A negative lien on 26% of the Equity of the Issuer by the Other Shareholders until Final Settlement Date or receipt of approval of APHDC for divestment of such shareholding.</p> <p>Provided that the aforesaid mortgage, hypothecation charges, assignments and the pledge of Shares and negative lien on Shares shall rank pari passu inter se amongst</p> <p>-The Debenture Holders without any preference or priority to one over the other or others; and</p> <p>-The Debenture Holders and the Bupce Lenders (for Facility-I and Facility-II) without any preference or priority to one over the other or others,</p> <p>subject to and in accordance with the Concession Agreement and the IDFC Tripartite Agreement (as approved by APHDC).</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 20 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, since it has received NOC from AD bank on 25 April 2022.</p>
2	Non-convertible debentures (Secured)	Grodha Expressways Private Limited	3,922.40	4,043.81	4,126.41	<p>Rate of Interest and Repayment Terms</p> <p>Non-Convertible Debentures from financial institution at 31 March 2022 of ₹3,922.40 millions (31 March 2021: ₹4,043.81 millions; 31 March 2020: ₹4,126.41 millions) which carries average interest rate of 9.73% (31 March 2021: 9.73%, 31 March 2020: 9.73%). The NCDs are redeemable in 76 unequal quarterly instalments starting from 30 June 2017 and ending on 28 February 2036.</p> <p>The Non-Convertible Debentures are secured by the way of:</p> <p>(a) first mortgage and charge on all the Borrower's Merged Properties, immovable properties, both present and future, save and except the Project Assets;</p> <p>(b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, current assets and non-current assets, both present and future, save and except the Project Assets;</p> <p>(c) A first charge over all accounts of the Borrower, including the Escrow Account and the Sub-Account(s) (including the DSRA and the MIRA) (or any account in substitution thereof) that may be opened in accordance with the Escrow Agreement and the Supplemental Escrow Agreement; and all funds from time to time deposited therein; the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account; and a first charge on the receivables; and</p> <p>(d) The Secured Debt is secured on a pari passu basis by a first ranking charge in relation to the Project Facility / NCDs on Merged Properties, all tangible movable assets, all intangible assets excluding Project Assets, all accounts of the SPV, and by way of pledge of Shares of 31% of the Equity of the SPV / Sponsor's Debentures and by way of assignment of 31% of other Sponsor Contributions, subject to the terms of the Concession Agreement and Escrow Agreement. The Debt is further secured by non-disposal undertaking for the balance 47% of the shares of the SPV until 31 March 2023.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the abovementioned pledge on the equity shares has been released on 13 December, 2021. The Project SPV had filed an application on 24 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, since it has received NOC from AD bank on 25 April 2022.</p>

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Sl. No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
10	Non Convertible debentures (Secured)	Jodhpur Pal Expressway Private Limited	1,254.33	1,350.25	1,375.04	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2022 of ₹ 1,254.33 millions (31 March 2021: ₹ 1,350.25 millions; 31 March 2020: ₹ 1,375.04 millions) which carries average interest rate of 9.35% (31 March 2021: 9.35%, 31 March 2020: 9.35%). NIF NCD is redeemable in unequal quarterly instalments starting from 15 January 2018 and ending on 15 January 2024.</p> <p>The Non-Convertible Debentures are secured by the way off: Part passu first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first part passu charge on the rights, title, interest, benefit, claims, of the Project SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the Project SPV in respect of monies lying to the credit of Escrow account and other accounts. First part passu pledge of 51% of equity share capital of the Borrower held by the Sponsor.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the above-mentioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank as per application filed on 6 June 2022, in terms of the FEMA regulations and will recreate the pledge once the said NOC is received from the AD bank.</p>
11	Non-convertible debentures (Secured)	Nirmal EOT Limited	1,249.10	1,420.10	1,561.80	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2022 of ₹ 1,249.10 millions (31 March 2021: ₹ 1,420.10 millions; 31 March 2020: ₹ 1,561.80 millions) which carries average interest rate of 9.38% (31 March 2021: 9.48%, 31 March 2020: 9.38%). Debentures are redeemable semi annually (unevenly) starting from 18th November 2010 and ending on 18th May 2026.</p> <p>The Non-Convertible Debentures are secured by the way off: a) The land is under lien by way of mortgage to Axis Trustee Services Limited acting as Debenture Trustee, by way of charge dated 16 December 2010, and b) Debenture's are secured by way of first and exclusive charge on all assets both present and future and annuity receivables, excluding the project assets as defined in the Concession Agreement.</p> <p>Underlings from the Sponsor to deposit the amount of difference between the actual O&M costs and the O&M costs as per the Trust and Retention Account and difference between the actual annuity received and annuity as per annuity schedule.</p>
12	Non-convertible debentures (Secured)	Udaipur Pal Expressway Private Limited	1,659.31	1,744.15	2,032.08	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution as at 31 March 2022 of ₹ 1,659.31 millions (31 March 2021: ₹ 1,794.05 millions; 31 March 2020: ₹ 2,032.08 millions) which carries average interest rate of 9.39% (31 March 2021: 9.30%, 31 March 2020: 9.30%). These are redeemable in 40 unequal quarterly instalments starting from 30 April 2013 and ending on 15 January 2025.</p> <p>The Non-Convertible Debentures are secured by the way off: Part passu first charge over SPV's movable properties, both present and future, including plant and machinery and Intangible Asset excluding project assets. Further secured by the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. A first charge by way of pledge of Shares of 51% of equity of the Issuer.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the above-mentioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank as per application filed on 24 December 2021, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank.</p> <p>Additionally, Non-Disposal Undertaking (NDU) has been marked over 51% of the CCIDs of the Project SPV held by it in favour of IDBI Trusteeship Services Limited for the benefit of existing lenders of the Project SPV.</p>
13	Non-convertible debentures (Unsecured)	Jodhpur Pal Expressway Private Limited	-	49.88	-	<p>Rate of Interest and Repayment Terms Non-Convertible Debentures from Financial Institution of ₹ NIL (31 March 2021: ₹ 49.88 millions; 31 March 2020: ₹ NIL) which carries average interest rate of Nil (31 March 2021: 9.35%, 31 March 2020: Nil). NIF NCD is redeemable in unequal quarterly instalments starting from 15 January 2021 and ending on 15 January 2024.</p> <p>The Non-Convertible Debentures are secured by the way off: Part passu first charge over SPV's movable properties, both present and future, including plant and machinery, the Receivables of the Borrower and Intangible Asset, except Project Assets as defined in the Concession Agreement. Further secured by way of first part passu charge on the rights, title, interest, benefit, claims, of the SPV in respect of the project agreements executed / to be executed, government approvals, insurance policies both present and future, Letter of Credit / guarantees / liquidated damages and performance bond provided by any party and all rights, title, interest, benefit, claims, demands of the SPV in respect of monies lying to the credit of Escrow account and other accounts. First part passu pledge of 51% of equity share capital and 51% of preference share capital of the Borrower held by the Sponsor.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the above-mentioned pledge on the equity shares has been released on 10 December 2021. The Project SPV is currently awaiting No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank as per application filed on 6 June 2022, in terms of the FEMA regulations and will recreate the pledge, once the said NOC is received from the AD bank.</p>
14	Non-convertible debentures (Secured)	Dwarka Bhopal Corridor Private Limited	-	-	50.00	<p>The SPV has outstanding 100, 12% unsecured non-convertible debentures of INR 500,000 each carrying an interest rate of 12% p.a with quarterly compounded and payable within 30 days from closure of financial year and these instruments have a 10 years tenure. However, the NCDs can be repaid at the earlier date as per the option of the SPV. The NCDs were repaid on 25 September 2020.</p> <p>To enable the change in ownership of the Project SPV from India Infrastructure Fund – II to Galaxy Investments II Pte. Ltd., the above-mentioned pledge on the equity shares has been released on 13 December 2021. The Project SPV had filed an application on 20 December 2021 for No-Objection Certificate (NOC) from the Authorised Dealer (AD) Bank, in terms of the FEMA regulations and will recreate the pledge, since it has received NOC from AD bank on 25 April 2022.</p>



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S.No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
15	Loan from related parties	Nirmal BOT Limited	-	315.00	315.00	Subordinate debt facility carrying fixed interest rate of 12% per annum will be repaid after redemption of debentures. The principal amounts of the Facility shall be repaid by the Borrower to the Lender, subject to the terms of the Debenture Trust Deed dated 16 December 2010 executed between the Borrower and Axis Trustee Services Limited along with the amendment to the Debenture Trust Deed made on 11 February 2011 and shall be subject to the mutual agreement of the terms of parties hereto.
16	Loan from related parties	Ulundurpet Expressways Private Limited	-	10.91	9.92	Unsecured interest free loan from related party, India Infrastructure Fund (Being under common control)/Ultimate holding is repayable after repayment of term loans from banks and financial institutions, however in case surplus cash available as per the terms of such financing document, the same can also be prepaid. Loan from related parties is repayable after repayment of term loan, however in case surplus cash available as per the terms of financing document, the same can also be prepaid.
17	Loan from others (unsecured)	Ulundurpet Expressways Private Limited	470.62	427.83	388.04	Rate of Interest and Repayment Terms Interest free loans from GMR Highway Limited of 470.62 millions (31 March 2021: ₹ 427.83 millions; 31 March 2020: ₹ 388.04 millions) repayable on or before 22 January 2027, however repayment can be made only after repayment of term loan, however in case surplus cash available as per the terms of financing document, the same can also be prepaid.
18	Compulsory convertible debentures (CCDs)	Ulundurpet Expressways Private Limited	219.05	-	-	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into equity shares of INR 10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the equity shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into equity shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair market value of the equity shares as on date of conversion of the CCD on a fully diluted basis]
19	Compulsory convertible debentures (CCDs)	Jodhpur Pali Expressway Private Limited	2,333.83	-	-	The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer. Upon maturity each CCDs shall be converted into equity shares in the following manner:- a. Convertible into equity shares of INR 10 based on fair market value of such equity shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the equity shares as on date of allotment of the CCDs), which will be mutually agreed; b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into equity shares each with voting and economic rights at par with all other outstanding equity shares as on the Conversion Date; c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and d. Each CCD shall be converted into such number of equity shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below: [Face Value of the CCD] / [Fair market value of the equity shares as on date of conversion of the CCD on a fully diluted basis]



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S.No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
20	Compulsory convertible debentures (CCDs)	Godhra Expressways Private Limited	5,094.14	-	-	<p>The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCDs shall be converted into equity shares in the following manner:-</p> <p>a. Convertible into Equity Shares of INR 10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed;</p> <p>b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date;</p> <p>c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and</p> <p>d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below:</p> <p>[Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis]</p>
21	Compulsory convertible debentures (CCDs)	Nirmal BOT Limited	331.12	-	-	<p>The SPV has issued Compulsory Convertible Debentures (CCDs) having a term of 30 years from the date of issue. The outstanding CCD shall earn coupon at the rates of 14% p.a. payable annually every financial year starts from 31 March 2023 till 30 November 2051 or as may be mutually agreed between holder and issuer.</p> <p>Upon maturity each CCDs shall be converted into equity shares in the following manner:-</p> <p>a. Convertible into Equity Shares of INR 10 based on fair market value of such Equity Shares as on the date of conversion (which shall not, unless otherwise permitted by Applicable Laws, be lower than the fair market value of the Equity Shares as on date of allotment of the CCDs), which will be mutually agreed;</p> <p>b. The CCDs shall be compulsorily converted, on the date falling at the expiry of Tenure or prior to the Conversion Date, at the option of the holder of the CCDs, into Equity Shares each with voting and economic rights at par with all other outstanding Equity Shares as on the Conversion Date;</p> <p>c. Upon conversion, the Equity Shares shall rank pari passu with the other Equity Shares without any preference or priority over them; and</p> <p>d. Each CCD shall be converted into such number of Equity Shares (subject to the CCDs not converting into Equity Shares at less than face value) as per the conversion formula given below:</p> <p>[Face Value of the CCD] / [Fair Market Value of the Equity Shares as on date of conversion of the CCD on a fully diluted basis]</p>



S.No	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Terms
22	Optionally convertible debentures (OCDs)	Godhra Expressways Private Limited	-	3,769.63	3,365.57	The SPV issued Optionally Convertible Debentures (OCD) of ₹ 38,298,808 face value of ₹ 75 each ("series A" consisting Tranche I - 16,164,365 OCDs & Tranche II - 14,901,110 OCDs), ("series B" consisting Tranche I - 4,373,360 OCDs & Tranche II - 2,193,306 OCDs) and ("series C" consisting Tranche I - 666,607 OCDs). OCDs can be converted into equity share with face value of INR 10 anytime during 21 (Twenty one) years ("Term") from the date of issue, unless converted or redeemed earlier as per the terms of issue. The OCD can be redeemed at face value plus a redemption premium on or before maturity at the discretion of the holder. The OCD's are redeemable at such amount which provides the OCD holder an IRR of 14% considering the payments made on the OCDs till the maturity, subject to the terms and conditions stipulated in the financing documents of the senior lenders of the SPV. In case the OCDs are converted then redemption premium will not be payable. The said OCD's were repaid on 20 December 2021.
23	Optionally convertible debentures (OCDs)	Jodhpur Pal Expressway Private Limited	-	2,092.17	1,846.33	12,646 Optionally Convertible Debentures (OCD) of face value of ₹ 100,000 each. The subscription of OCDs shall have a term of 21 years from the date of issue, unless converted, redeemed earlier as per the term of the agreement. The outstanding subscription of OCDs shall accrue and earn interest (unpaid interest shall be accumulated which is payable at the end of the year) at the following rates or such other rate as decided by SPV and the investor, till the subscription of OCD are converted into equity shares of the SPV or redeemed; FY 19 till FY 26 : 1% FY 27 onwards : 8% The subscription of OCDs shall be redeemed at the discretion of holder at the premium (redemption premium) such that price payable by the SPV on redemption of OCDs shall be that holder received an all-in IRR of 14%. The said OCD's were repaid on 20 December 2021.
24	Optionally convertible debentures (OCDs)	Godhra Expressways Private Limited	-	828.88	734.84	The Optionally Convertible Debentures (OCD) of ₹ Nil (31 March 2021 - ₹ 828.88 millions, 31 March 2020 - ₹ 734.84 millions) can be redeemed at face value plus redemption premium on or before maturity at the discretion of the holder. The Optionally Convertible Debentures are redeemable at such amount which provides the debentureholder an IRR of 14% considering the payments made on the Optionally Convertible Debentures till the maturity, subject to the terms and conditions stipulated in the financing documents of the senior lenders of the SPV. A charge over 51% of debentures issued by the SPV, (i.e. 19,532,393 optionally convertible debentures comprising of Series A - OCDs of 12,965,727 and Series B - OCDs of 6,566,666). The said OCD's were repaid on 20 December 2021.
25	Optionally convertible debentures (OCDs)	Chandrapur Expressways Private Limited	-	173.44	153.51	The SPV has issued Optionally Convertible Debentures (OCD) having a term of 10 years from the date of issue, unless converted or redeemed earlier. The outstanding OCD shall earn interest at the following rates or such other rate as decided by the SPV and the OCD holders, till the OCD are converted into Equity Shares or redeemed: FY 19 and FY 20 : 2% FY 21 : 3% FY 22 onwards : 5% Each OCD shall be convertible into Equity Share on or before the term of OCD upon the option of OCD holder. The redemption of the OCD shall be at the sole discretion of the OCD holder. The price payable by the SPV on redemption of the OCD shall be such that the holder receives an all-in IRR of 13% p.a. on its subscription value of OCD or such other IRR as determined in writing between the SPV and the OCD holder. The said OCD's were repaid on 20 December 2021.



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S.No.	Nature of borrowing	Name of SPV	31 March 2022	31 March 2021	31 March 2020	Repayment terms and security disclosure
26	Liability portion of compound instruments- Preference Shares	Shillong Expressway Private Limited	519.08	510.08	531.84	The SPV has only one class of 2,100,000 Non cumulative Redeemable preference shares at par value of ₹ 10 per share. The SPV has classified Non cumulative redeemable preference shares as compound financial instrument and bifurcated equity and liability component with retrospective effect from its origination date. During the year 2018-19, the SPV has redeemed the 283,000 nos. of 6% Non-Cumulative Redeemable Preference Shares (Preference shares) out of 2,100,000 preference shares at price of ₹ 300 each. As per shareholders meeting held on 30 June 2020, the terms of preference shares are changed and the same are now redeemable at any time on or before 31 March 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited. As per Board meeting held on 31 March 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 31 May 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited. As per Board meeting held on 13 May 2021, the terms of preference shares are changed again and the same are now redeemable at any time on or before 30 September 2021 subject to availability of cash at the option of the SPV i.e. Shillong Expressway Private Limited. As per Board meeting held on 24 September 2021, the terms of preference shares are changed as 1,817,000 nos. of Preference Shares issued on 4th January 2011 redeemable at a price of Rs. 300/- each, at any time on or before 31st December 2021 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited. These terms subsequently revised and the redemption date extended to 31 March 2022. As per resolution passed through circular by board of directors on 07 April 2022, the terms of preference shares are changed as 1,817,000 nos. of Preference Shares issued on 04 January 2011 redeemable at a price of Rs. 300/- each, at any time on or before 30th September 2022 subject to availability of cash at the option of the Company i.e. Shillong Expressway Private Limited."
Total			23,268.43	23,994.36	24,125.65	



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All amounts in ₹ millions unless otherwise stated)

	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
24 Revenue from operations*			
Operating revenue			
Income arising out of toll collection	4,549.06	3,919.12	3,922.85
Interest income on annuity receivable from NHAI	256.17	300.73	338.18
Revenue from operations and maintenance of road	198.01	134.97	136.78
Revenue from periodic maintenance of road	-	25.30	308.70
Other operating revenues			
Claim from NHAI	601.80	378.72	-
Change of scope and utility shifting expenses	209.81	182.54	211.19
Gain on modification of annuity	51.71	143.66	91.10
	5,866.56	5,085.04	5,008.80
25 Other income			
Interest income			
- Bank deposits	100.76	59.98	63.21
- Income tax refund	2.30	2.28	0.34
- Others	0.01	0.01	0.18
Insurance claims	59.84	4.01	3.65
Gain on investments carried at fair value through profit or loss (net)	7.26	6.61	24.31
Gain on sale of property, plant and equipment (net)	0.04	-	-
Excess provisions written back	1.40	2.26	0.99
Gain on sale of investments (net)	70.59	81.51	120.96
Gain on modification of financial liability	52.55	64.09	13.34
Miscellaneous income	16.34	20.34	4.45
	311.09	241.09	231.43
26 Operating expenses			
Expenses related to claim from NHAI	553.00	378.72	-
Toll operation and maintenance expense	375.21	386.50	362.33
Major maintenance provision	310.20	451.45	834.11
Change of scope and utility shifting expenses	199.19	160.62	191.58
	1,437.60	1,377.29	1,388.02
27 Employee benefits expense			
Salary, wages and bonus	102.60	93.10	94.82
Contribution to provident and other funds	9.58	10.76	10.99
Staff welfare expenses	16.17	13.70	10.38
	128.35	117.56	116.19
For disclosures related to provision for employee benefits, refer note 33 - Employee benefit obligations			
28 Finance costs			
Interest expense			
- term loans and debentures	1,386.51	1,527.93	1,638.30
- preference shares	52.55	51.32	49.76
- optionally convertible debentures	705.27	865.14	773.99
- late payment of statutory dues	1.70	0.10	0.88
- compulsory convertible debentures	312.13	-	-
- others	27.50	38.65	38.99
Unwinding finance cost on deferred payment to NHAI for purchase of right to charge user of toll roads	148.30	145.97	143.44
Unwinding of discount on major maintenance provision	78.44	59.97	68.75
Unwinding of discount on provisions and financial liabilities carried at amortised	49.15	41.74	38.65
Loss on modification of annuity	-	-	-
Loss on modification of financial liability	-	-	-
Finance and bank charges	14.01	9.69	22.01
	2,775.55	2,740.32	2,674.77



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(All amounts in ₹ millions unless otherwise stated)

	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
29 Depreciation and amortisation expense			
Depreciation of property, plant and equipment (refer note 3)	18.47	15.31	14.58
Amortisation of intangible assets (refer note 5)	998.97	904.50	1,024.09
	1,017.44	919.81	1,038.67
30 Other expenses			
Power, fuel and water charge	32.35	32.19	32.41
Legal and professional expenses	49.14	59.47	51.51
Insurance	67.56	92.92	31.44
Management support services fee	187.87	111.39	144.90
Communication	3.26	2.81	2.20
Loss on investments carried at fair value through profit or loss (net)	0.75	12.20	23.05
Rates and taxes	0.07	0.80	0.97
Travelling and conveyance	7.93	3.69	7.71
Independent consultancy and project monitoring fees	57.90	50.65	18.70
Director sitting fees	1.09	1.19	0.85
Rent (refer note 34)	2.43	2.32	1.96
Bad debts written off	26.40	-	-
Printing and stationery	0.57	0.93	1.06
Miscellaneous expenses	21.83	23.13	32.74
	459.15	393.69	349.50

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

31 Assets pledged as security

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Current			
Investments (refer note 11)	2,152.39	2,156.37	2,465.11
Trade receivables (refer note 12)	37.30	68.92	87.48
Cash and cash equivalents and other bank balances (refer note 13 and 14)	2,338.44	1,702.01	1,034.04
Other current financial assets (refer note 7)	941.61	949.80	939.68
Total current assets pledged as security	5,469.74	4,877.10	4,526.31
Non-current			
Property, plant and equipment (refer note 3)	130.04	66.93	62.05
Intangible assets (refer note 5)	20,246.56	21,249.03	22,159.81
Capital work-in-progress (refer note 4)	2.39	9.40	-
Other non-current financial assets (refer note 6)	1,382.88	1,626.38	1,861.32
Total non-currents assets pledged as security	21,761.87	22,951.73	24,083.18
Total assets pledged as security	27,231.61	27,828.83	28,609.49

For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
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32 Tax expense

(i) Income tax expense recognised in Special Purpose Combined Statement of Profit and Loss

Current tax	189.97	127.00	91.10
Deferred tax	514.79	(155.54)	(2.41)
	704.76	(28.54)	88.69

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

Profit before tax	359.56	(222.73)	(426.92)
Income tax using the SPV Group's domestic tax rate *	29.12%	29.12%	29.12%
Expected tax expense [A]	104.70	(64.86)	(124.32)

Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:

Tax impact of exempt income pursuant to tax holiday	(107.66)	(74.92)	(62.85)
Deferred tax asset not recognised due to absence of certainty of realisability	821.23	136.83	273.57
Minimum Alternate Tax (MAT) credit recognized	(143.36)	(74.84)	(38.57)
Impact of MAT Credit not being availed due to uncertainty of realizability	27.90	50.10	41.94
Others	1.95	(0.85)	(1.08)
Total adjustments [B]	600.06	36.33	213.01
Actual tax expense [C=A+B]	704.76	(28.54)	88.69

* Domestic tax rate applicable to the SPV Group has been computed as follows:

Base tax rate	25.00%	25.00%	25.00%
Surcharge (% of tax)	12.00%	12.00%	12.00%
Cess (% of tax)	4.00%	4.00%	4.00%
Applicable rate	29.12%	29.12%	29.12%

Unused tax losses and credits:

- Unused tax losses and depreciation:

The SPV Group has the following unused tax losses and unabsorbed depreciation which arose on incurrance of business losses under the Income-tax Act, 1961, for which no deferred tax asset has been recognised in the books of accounts considering the SPV Group believes that there is no probability which demonstrates realisation of such assets in the near future:

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised (Refer (a) and (b) below)	13,119.85	11,580.13	11,579.42
Potential tax benefit @ 29.12% (31 March 2021 : 29.12% and 31 March 2020 : 29.12%)	3,820.50	3,371.23	3,371.93



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

a) Unrecognised business loss can be carried forward based on the year of origination as follows:

Assessment year/period of origination	Financial year of expiry	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
AY 2017-18	AY 25-26	-	588.61	588.61
AY 2018-19	AY 26-27	-	142.66	142.66
AY 2019-20	AY 27-28	-	122.04	122.04
AY 2020-21	AY 28-29	-	244.31	244.31
AY 2021-22	AY 29-30	-	53.33	-
AY 2022-23	AY 30-31	2,899.80	-	-
		2,899.80	1,150.95	1,097.62

b) Unabsorbed depreciation can be carried forward based on the year of origination as follows:

Assessment year/period of origination	Financial year of expiry	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
AY 2010-11	Indefinitely	496.18	747.90	747.90
AY 2011-12	Indefinitely	833.84	833.84	833.84
AY 2012-13	Indefinitely	736.96	736.96	736.96
AY 2013-14	Indefinitely	558.61	558.61	638.12
AY 2014-15	Indefinitely	1,361.35	1,365.39	1,368.49
AY 2015-16	Indefinitely	1,894.20	1,950.38	1,950.38
AY 2016-17	Indefinitely	1,620.55	1,658.39	1,658.39
AY 2017-18	Indefinitely	1,196.37	1,196.37	1,196.37
AY 2018-19	Indefinitely	658.23	658.23	658.23
AY 2019-20	Indefinitely	383.77	383.77	383.77
AY 2020-21	Indefinitely	208.65	309.35	309.35
AY 2021-22	Indefinitely	29.99	29.99	-
AY 2022-23	Indefinitely	241.35	-	-
		10,220.05	10,429.18	10,481.80

- Unused tax credits

There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Assessment year/period of origination	Financial year of expiry	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
AY 2014-15	AY 2029-30	2.34	2.34	2.34
AY 2015-16	AY 2030-31	10.05	10.05	10.05
AY 2016-17	AY 2031-32	6.68	6.68	6.68
AY 2017-18	AY 2032-33	23.11	23.11	23.11
AY 2018-19	AY 2032-34	20.69	20.69	20.69
AY 2019-20	AY 2032-35	5.34	5.34	5.34
AY 2020-21	AY 2032-36	41.94	41.94	41.94
AY 2021-22	AY 2036-37	39.73	50.10	-
AY 2022-23	AY 2037-38	17.49	-	-
		167.37	160.25	110.15

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
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33 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

Particulars	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	Current	Non-current	Current	Non-current	Current	Non-current
Provisions:						
Gratuity	0.32	8.06	0.20	7.43	0.13	6.79
Compensated absences	0.45	4.65	0.38	4.47	0.40	4.22
Total	0.77	12.71	0.58	11.90	0.53	11.01

A Disclosure of gratuity
Gratuity (Funded)

The SPV Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such, the SPV Group is exposed to various risks as follows:

- (a) **Salary increases** - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- (b) **Investment risk** - If plan is funded then assets/liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- (c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- (d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- (e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

(i) Amount recognised in the Combined Statement of Profit and Loss is as under:

Description	For the year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Current service cost	2.26	2.25	1.76
Interest cost	0.44	0.47	0.29
Net impact on profit (before tax)	2.71	2.72	2.05
Actuarial (gain)/loss recognised during the year	(0.24)	(0.57)	1.25
Amount recognised in total comprehensive income	2.47	2.15	3.30



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(ii) Change in the present value of obligation:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Present value of defined benefit obligation as at the beginning of the year	10.38	9.08	5.79
Transfer in/(out) obligation	(0.57)	-	-
Current service cost	2.26	2.24	1.76
Interest cost	0.64	0.48	0.29
Benefits paid	(0.99)	(0.85)	(0.02)
Actuarial (gain) / loss	(0.31)	(0.57)	1.25
Present value of defined benefit obligation as at the end of the year	11.41	10.38	9.08

(iii) Movement in the plan assets recognised in the Combined Balance Sheet is as under:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets at the beginning of the year	2.75	2.16	1.71
Actual return on plan assets	0.20	0.16	0.14
Contributions	0.15	0.45	0.34
Actuarial gain	(0.07)	(0.01)	(0.02)
Fair value of plan assets at the end of the year	3.03	2.75	2.16

(iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation as at the end of the year	11.41	10.38	9.08
Fair value of plan assets as at the end of the period funded status	3.03	2.75	2.16
Unfunded/funded net liability recognized in Combined Balance Sheet	8.38	7.63	6.92

(v) Breakup of actuarial (gain)/loss:

Description	For the year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Actuarial gain from change in demographic assumption	-	(0.00)	(0.00)
Actuarial (gain)/loss from change in financial assumption	(0.42)	0.22	0.68
Actuarial (gain)/loss from experience adjustment	0.12	(0.80)	0.55
Return on plan assets (excluding amounts included in net interest expense)	0.06	0.01	0.02
Total actuarial (gain)/loss	(0.24)	(0.57)	1.25



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(vi) Actuarial assumptions:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Discount rate range	6.35% to 7.75%	6.35% to 7.75%	6.35% to 7.75%
Rate of increase in compensation levels range	6% to 8%	6% to 8%	6% to 8%
Retirement age	58 years	58 years	58 years

Notes:

- 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.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factor

(vii) Sensitivity analysis for gratuity liability:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Impact of change in discount rate			
Present value of obligation at the end of the period/year	11.41	10.38	9.08
- Impact due to increase of 0.50% - 1 %	(0.57)	(0.55)	(0.47)
- Impact due to decrease of 0.50% - 1 %	0.62	0.57	0.48
Impact of change in salary increase			
Present value of obligation at the end of the period/year	11.41	10.35	9.08
- Impact due to increase of 0.50% - 1 %	0.47	0.43	0.38
- Impact due to decrease of 0.50% - 1 %	(0.49)	(0.41)	(0.35)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the Combined Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

(viii) Maturity profile of defined benefit obligation:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Within next 12 months	0.71	0.20	0.13
Between 1-5 years	3.07	3.00	2.76
Beyond 5 years	7.63	7.18	6.19
Total	11.41	10.38	9.08

B Compensated absence

Amount recognised in the Combined Statement of Profit and Loss is as under:

Description	For the year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Current service cost	1.22	1.12	1.09
Interest cost	0.31	0.30	0.22
Actuarial (gain)/loss recognised during the year	(0.49)	0.18	0.36
Amount recognised in the Combined Statement of Profit and Loss	1.04	1.60	1.67



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34 Information on Lease transactions pursuant to Ind AS 116-Leases

The SPV Group is a lessee under various short term leases. Rental expense on short term or low value leases for the financial years ended 31 March 2022, 31 March 2021 and 31 March 2020 are ₹ 2.43 million ₹ 2.32 million, ₹ 1.96 million respectively.

35 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided as at 31 March 2022 : ₹ 27.13 million 31 March 2021: ₹ 42.05 million, 31 March 2020: ₹ 27.44 million.

36 Contingent liabilities and claims*

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Sales tax / service tax and income tax cases in respect of which SPV Group is in appeals	138.19	3.76	26.29
Claims raised against the SPV Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals	221.19	221.19	221.19
Labour welfare dues in respect of which SPV Group is in appeals	47.78	47.78	47.78
Total	407.16	272.73	295.26

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Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

37 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Combined Balance Sheet are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data, as far as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets measured at fair value - recurring fair value measurements:

As at 31 March 2020	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value through profit and loss	2,465.11	-	-	2,465.11
As at 31 March 2021				
Assets at fair value				
Investments measured at fair value through profit and loss	2,156.37	-	-	2,156.37
As at 31 March 2022				
Assets at fair value				
Investments measured at fair value through profit and loss	2,152.39	-	-	2,152.39

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units are based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investor.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in £ millions unless otherwise stated)

(ii) Fair value of instruments measured at amortised cost

Fair value of long term instruments of financial assets and liabilities measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs

Particulars	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Other current and non current financial assets	2,324.49	2,324.49	2,376.17	2,749.32	2,801.00	3,051.57
Trade receivables	37.30	37.30	68.92	87.48	87.48	87.48
Cash and cash equivalents	365.82	365.82	79.81	79.81	174.91	174.91
Bank balances other than cash and cash equivalents above	1,972.62	1,972.62	1,622.21	1,622.21	859.13	859.13
Total financial assets	4,700.23	4,700.23	4,347.11	4,520.26	3,922.52	4,173.09
Financial liabilities						
Borrowings	23,268.43	23,268.43	23,994.36	23,994.36	24,125.65	24,125.65
Trade payable	320.80	320.80	211.32	211.32	213.28	213.28
Other financial liabilities	1,926.30	1,926.30	1,568.74	1,568.74	1,503.55	1,503.55
Total financial liabilities	25,515.54	25,515.54	25,774.42	25,774.42	25,842.48	25,842.48

The carrying amount of financial assets and financial liabilities measured at amortised cost in these special purpose combined financial statements are a reasonable approximation of their fair values since the SPV Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed rate receivables are evaluated by the SPV Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.

(ii) The fair values of the SPV Group's loans and receivables from/to related parties and others are determined by applying discounted cash flows (DCF) method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk is at the reporting period and was assessed to be insignificant.

(iii) All the other long term borrowing facilities waived by the SPV Group are variable rate facilities which are subject to changes in underlying interest rate indices. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the SPV Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

38 Financial risk management

i) Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021			As at 31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments	2,152.39	-	-	2,156.37	-	-	2,465.11	-	-
Other current and non current financial assets	-	-	2,324.49	-	-	2,576.17	-	-	2,801.00
Trade receivables	-	-	37.30	-	-	68.92	-	-	87.48
Cash and cash equivalents	-	-	365.82	-	-	79.81	-	-	174.91
Bank balances other than cash and cash equivalents above	-	-	1,972.62	-	-	1,622.21	-	-	859.13
Total	2,152.39	-	4,700.23	2,156.37	-	4,347.11	2,465.11	-	3,922.52
Financial liabilities									
Borrowings	-	-	23,268.43	-	-	23,994.36	-	-	24,125.65
Trade payable	-	-	320.80	-	-	211.32	-	-	213.28
Other financial liabilities	-	-	1,926.30	-	-	1,568.74	-	-	1,503.55
Total	-	-	25,515.54	-	-	25,774.42	-	-	25,842.48

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B) Risk Management

The SPV Group's activities expose it to market risk, liquidity risk and credit risk. The SPV Group's Board of Directors has overall responsibility for the establishment and oversight of the SPV Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Combined Financial Statements:

Risk	Exposure arising from	Measurement	Management of SPV Group manages risks by
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents above, trade receivables, financial assets measured at amortised cost	Ageing analysis	Investing in bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit line and borrowing facilities.
Market risk: interest rate risk	Borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk: price risk	Investments at fair value through profit or loss	Sensitivity analysis	Diversification of its portfolio of assets.
The SPV Group's risk management is carried out by a project finance team and treasury team under policies approved by Board of Directors of respective SPVs. The management of the SPV Group provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.			

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the SPV Group. The SPV Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The SPV Group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks.

a) Credit risk management

The SPV Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the SPV Group, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The SPV Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Medium credit risk
- (iii) High credit risk

Assets under credit risk:

Credit rating	Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
A: Low	Other current and non-current financial assets Cash and cash equivalents Bank balances other than cash and cash equivalents above	2,324.49 365.82 1,972.62	2,576.17 70.81 1,622.21	2,801.00 174.91 859.13
B: Medium	Trade receivables	37.30	68.92	87.48

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The SPV Group has trade receivables primarily from various government authorities. Credit risk related to these receivables is expected to be medium. Such receivables are managed by monitoring the recoverability of amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.



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Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

b) Expected credit losses

Trade receivables

The SPV Group is engaged in infrastructure development business under Build-Operate-Transfer (BOT) and design, build, finance, operate and transfer (DBFOT) project. It currently derives its revenue primarily from toll collection / annuity business. Other than collection in cash or by way of smart cards which are considered as low credit risk assets, since the annuity receivables are from NHAI and various Government authorities. The credit risk with respect to such receivables from government institutions is expected to be very low and hence, no provision for expected credit loss is deemed necessary except in the case where individual receivables are known to be uncollectable.

Financial assets (other than trade receivables)

The SPV Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents and bank balances other than cash and cash equivalents - Since the SPV Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans and other financial assets - Credit risk is evaluated based on the SPV Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Since, this category includes loans and receivables of varied natures and purpose, there is no trend that the SPV Group can draw to apply consistently to entire population.

B) Liquidity risk

Liquidity risk is the risk that the SPV Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The SPV Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The SPV Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The SPV Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The SPV Group does not have access to any undrawn borrowing facilities as at 31 March 2022, 31 March 2021 or 31 March 2020 respectively.

b) Maturities of financial liabilities

The tables below analyse the SPV Group's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at 31 March 2022					
Borrowings including interest	4,190.79	7,735.67	6,746.95	33,795.74	52,469.14
Trade payable	320.79	-	-	-	320.79
Other financial liabilities	152.58	-	-	-	152.58
Deferred payment liabilities payable to concession authorities for toll	137.44	295.83	326.15	2,537.50	3,296.72
Total	4,801.59	8,031.50	7,073.10	36,333.04	56,239.23
As at 31 March 2021					
Borrowings including interest	6,199.77	5,460.65	5,241.05	29,559.63	46,461.10
Trade payable	211.32	-	-	-	211.32
Other financial liabilities	59.12	-	-	-	59.12
Deferred payment liabilities payable to concession authorities for toll collection rights	130.89	281.74	510.62	2,704.35	3,427.61
Total	6,601.10	5,742.39	5,551.67	23,263.99	41,159.15
As at 31 March 2020					
Borrowings including interest	6,291.08	5,531.00	5,667.59	22,447.61	39,937.27
Trade payable	213.28	-	-	-	213.28
Other financial liabilities	35.32	-	-	-	35.32
Deferred payment liabilities payable to concession authorities for toll collection rights	124.66	268.33	295.83	2,814.50	3,503.32
Total	6,574.23	5,799.33	5,963.42	25,262.11	43,599.09

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

C) Market risk
a) Interest rate risk
i) Liabilities

The SPV Group's policy is to minimise interest rate cash flow risk exposures on long term financing. At the reporting periods end, the SPV Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The SPV Group's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure
Below is the overall exposure of the SPV Group to interest rate risk:

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	4,525.45	6,302.72	6,274.93
Fixed rate borrowing	18,742.99	17,691.64	17,850.72
Amount disclosed under borrowings	23,268.44	23,994.36	24,125.65

Sensitivity
Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Interest sensitivity*			
Interest rates – increase by 100 bps*	45.25	63.03	62.75
Interest rates – increase by 100 bps*	(45.25)	(63.03)	(62.75)

* Holding all other variables constant

- i) **Assets**
The SPV Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments: Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
- b) **Price risk**
i) **Exposure**
The SPV Group's exposure to price risk arises from investments held and classified in the Combined Balance Sheet at fair value through profit or loss. To manage the price risk arising from investments, the SPV Group diversifies its portfolio of assets.
- ii) **Sensitivity**
The table below summarises the impact of increase/decrease of the index on the SPV Group's profit for the period:

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Mutual Funds			
Net assets value – increase by 100 bps	21.32	31.36	24.65
Net assets value –	(21.32)	(31.36)	(24.65)

- 39) **Capital management**
For the purpose of the SPV Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the SPV Group. The primary objective of the SPV 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 shareholder value.

The SPV 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 SPV Group may return capital to shareholders or issue new shares. The SPV Group monitors capital using a gearing ratio, which is net debt divided by total equity. The SPV Group's policy is to keep the gearing ratio optimum.

Debt equity ratio	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Particulars			
Net debt*	25,140.71	25,694.61	25,667.57
Total equity (refer note 15 and 16)	388.86	733.82	1,581.21
Net debt to equity ratio	64.68	35.01	16.23

*Net debts	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Particulars			
Non current borrowings (refer note 17A)	21,260.80	22,252.15	22,464.09
Current borrowings (refer note 17B)	2,007.63	1,742.21	1,661.36
Trade payables (refer note 21)	320.80	211.32	213.27
Other financial liabilities (refer note 18A and 18B)	1,926.30	1,568.74	1,503.36
Less: Cash and cash equivalents (refer note 13)	(365.82)	(70.81)	(174.91)
Net debts	25,140.71	25,694.61	25,667.57



40 Related Party Disclosures
Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures and SEBI (Infrastructure Investment Trusts) Regulations, 2014 have been presented below. Following are the related parties and transactions entered with related parties for the year ended 31 March 2022 and financial years ended 31 March 2021, 31 March 2020 and 31 March 2019 :

Parties to the InvIT pursuant to SEBI (Infrastructure Investment Trusts) Regulations, 2014

Galaxy Investments II Pte. Ltd. (Sponsor)

Directors

Mr. Cecilio Velasco (Director) (uptill 26 January 2022)
Mr. Tang Jin Rong (Director)
Madhura Narawane (Director) (w.e.f 26 January 2022)

Promoters

Galaxy Investments Pte. Ltd.

Virescent Infrastructure Investment Manager Private Limited (Investment Manager)

Directors and KMP

Mr. Akshay Jaitly, Additional Director
Mr. Sanjay Grewal, Wholtime Director
Mr. Vinay Kumar Pabba, Director w.e.f. 26 November 2020 till 01 February 2022
Mr. Panja Pradeep Kumar, Director
Mr. Hardik Bhadrak Shah, Director
Ms. Channy Chandrakant Bhoat, Company Secretary

Virescent Renewable Energy Project Manager Private Limited (Project Manager)

Directors

Mr. Sanjay Grewal, Director
Mr. Atul Raizada, Director

Promoters

Virescent Infrastructure Investment Manager Private Limited

Axis Trustee Services Limited (Trustee)

Directors

Mr. Rajesh Kumar Dahiya (Director)
Mr. Ganesh Sankaran (Director)
Ms. Deepa Rath CEO (KMP), Managing Director

Promoters

Axis Bank Limited

Enterprises having significant influence over the SPV Group during the periods presented in the Combined Financial Statements *

India Infrastructure Fund II
India Infrastructure Fund
Highway Concessions One Private Limited
Galaxy Investment II Pte Ltd (w.e.f 17 December 2021)

Key managerial personnel of the SPV Group:

Ulundurpet Expressways Private Limited ('UEPL')

Mr. Narayanan Gopalakrishnan (Director) - till 17 December 2021
Mr. Ankur Rajender Srivastava (Director) - till 17 December 2021
Mr. Neeraj Sanghi (Director)
Mr. Rishi Mishra (Company Secretary) - till 10 February 2022
Ms. Nekata Jain (Company Secretary) - w.e.f. 10 February 2022
Mr. P.V. Durga Rao (Chief Financial Officer) - till 10 March 2021
Mr. Narayanan Doraiswamy (Director) - 17 December 2021

Nirmal Bot Limited ('NBL')

Mr. Milind Ghanshyam Agrawal (Director) till 31 July 2020
Mr. Narayanan Subramaniam (Director) -till 30 October 2020
Mr. Pramod Laxman Bongirwar (Independent Director) - till 17 December 2021
Mr. Praveen Kumar - CFO w.e.f 12 March 2020
Ms. Kunjal Shah (Company Secretary) - till 10 February 2022
Mr. Rishi Mishra (Company Secretary) - w.e.f. 10 February, 2022
Mr. Venkata Ramana Jannela (Manager) -till 31 October 2020
Mr. Narayanan Doraiswamy (Chief Financial Officer) - till 10 December 2019
Ms. Simran Sarabjit Singh (Director) - till 17 December 2021
Mr. Pranay Chander Ditavaar (Manager) w.e.f. 11 November 2020
Mr. Puneet Madan Kayastha (Independent Director) w.e.f 21 August 2018
Mr. Narayanan Doraiswamy (Director) - w.e.f. 11 November 2020
Mr. Neeraj Sanghi (Director) - w.e.f. 17 December 2021
Mr. Nilmar Ranjan Dash (Independent Director) - w.e.f. 17 December 2021



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Jodhpur Pali Expressway Private Limited ('JEPL')

Mr. Narayanan Gopalakrishnan (Director) - till 17 December 2021
Mr. Neeraj Sanghi (Director) w.e.f. 31 March 2017
Mr. Milind Ghanshyam Agrawal (Director) - till 31 July 2020
Mr. Puneet Madan Kayastha (Independent Director) - till 17 December 2021
Mr. Nihar Ranjan Dash (Independent Director) - till 17 December 2021
Dr. Zafar Khan (Director) - w.e.f. 17 December 2021

Shillong Expressway Private Limited ('SEPL')

Mr. Neeraj Sanghi (Director) - till 17 December 2021
Mr. Milind Ghanshyam Agrawal (Director) - w.e.f. 21 February 2018 till 31 July 2020
Mr. Abhijit Chattopadhyay (Independent Director) - till 17 December 2021
Mr. Nihar Ranjan Dash (Independent Director) - till 17 December 2021
Mr. Narayanan Gopalakrishnan - till 13 January 2022
Mr. Ankur Srivastava (Director) - w.e.f. 17 December 2021 till 13 January 2022
Mr. Narayanan Doraiswamy (Director) - w.e.f. 13 January 2022
Mr. Neeraj Sanghi (Director) - w.e.f. 13 January 2022

Dewas Bhopal Corridor Private Limited ('DBCPL')

Mr. Narayanan Gopalakrishnan (Director) - till 17 December 2021
Mr. Neeraj Sanghi (Director)
Mr. Ankur Rajender Srivastava (Director) - till 17 December 2021
Dr. Zafar Khan (Director) - w.e.f. 17 December 2021

Godhra Expressways Private Limited ('GEPL')

Mr. Milind Ghanshyam Agrawal (Director) - till 31 July 2020
Mr. Puneet Madan Kayastha (Independent Director) - till 17 December 2021
Mr. Pramod Laxman Bongiewar (Independent Director) - till 17 December 2021
Mr. Satish Viraji Bhanushali (Company Secretary) - till 13 May 2021
Mr. Narayanan Gopalakrishnan (Director) till 17 December 2021
Mr. Manish Jain (Company Secretary) -w.e.f. 3 June 2021
Dr. Zafar Khan (Director) - w.e.f. 17 December 2021
Mr. Neeraj Sanghi (Director)

* With whom the SPV Group had transactions during the reported years

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Transactions and outstanding balances with related parties in the ordinary course of business

Particulars	Transactions with enterprises having significant influence over the SPV Group		Transactions with key managerial personnel of SPV Group / relatives of key managerial personnels of SPV Group	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Transactions during the year				
Interest on Non Convertible Debentures				
India Infrastructure Fund - II	-	3.27	6.33	-
Repayment of loan				
India Infrastructure Fund	10.91	-	-	-
Interest paid on Preference Share				
India Infrastructure Fund - II	52.55	51.32	49.76	-
Gain on modification liability of preference shares				
India Infrastructure Fund - II	52.55	64.09	13.34	-
Repayment of loan				
Highway Concessions One Private Limited	315.00	-	-	-
Proceeds from issue of Compulsory convertible debentures ('CCD's')				
Galaxy Investments II Pte. Ltd.	7,978.14	-	-	-
Redemption of OCD with IRR				
India Infrastructure Fund - II	7,621.91	258.30	-	-
IRR accrued on OCD				
India Infrastructure Fund - II	611.97	846.87	755.72	-
India Infrastructure Fund	93.31	18.27	18.27	-
IRR paid on OCD				
India Infrastructure Fund - II	39.38	27.97	14.37	-
Redemption of unsecured NCDs				
India Infrastructure Fund - II	-	50.00	-	-
Management support service fees				
Highway Concessions One Private Limited	187.87	111.39	144.90	-
Interest on compulsory convertible debentures ('CCD's')				
Galaxy Investments II Pte. Ltd.	312.13	-	-	-
Interest on Loan				
Highway Concessions One Private Limited	27.03	37.80	37.80	-
India Infrastructure Fund	3.74	3.11	2.08	-
Gratuity and Leave Benefit obligation of transferred employee				
Highway Concessions One Private Ltd.	0.82	-	-	-



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Transactions and outstanding balances with related parties in the ordinary course of business

Particulars	Transactions with enterprises having significant influence over the SPV Group			Transactions with key managerial personnel of SPV Group / relatives of key managerial personnel of SPV Group		
	31 March 2022	31 March 2021	31 March 2020	31 March 2022	31 March 2021	31 March 2020
Transactions with key management personnel						
Director Sitting fees						
Mr. Puncet Madan Kavastha	-	-	-	0.47	0.39	0.30
Mr. Pramod Laxman Bhangwar	-	-	-	0.26	0.29	0.24
Mr. Nihar Ranjan Dash	-	-	-	0.21	0.25	0.11
Mr. Abhijeet Chatopadhyay	-	-	-	0.05	0.11	0.07
Remuneration						
Mr. Venkata Ramana Jannella	-	-	-	-	1.54	2.01
Mr. P.V. Durga Rao	-	-	-	-	2.69	2.91
Mr. Rishi Mishra	-	-	-	-	0.86	1.09
Mr. Satish Vinaji Bhanushali	-	-	-	-	0.81	0.82
Mr. Pranay Chander	-	-	-	2.11	0.70	-

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Transactions and outstanding balances with related parties in the ordinary course of business

Particulars	Transactions with enterprises having significant influence over the SPV Group			Transactions with key managerial personnel of SPV Group / relatives of key managerial personnels of SPV Group		
	31 March 2022	31 March 2021	31 March 2020	31 March 2022	31 March 2021	31 March 2020
Balances outstanding at the end of the year						
Equity Share Capital						
India Infrastructure Fund-II	-	240.42	240.42	-	-	-
Highway Concessions One Private Limited (Formerly known as Piramal Road Infra Private Limited) (HCCOPL)	-	315.00	315.00	-	-	-
India Infrastructure Fund	-	2,645.52	2,645.52	-	-	-
Galaxy Investments II Pte. Ltd.	3,200.95	-	-	-	-	-
Liability portion of compound instruments-Preference Shares						
India Infrastructure Fund -II	519.08	519.08	531.84	-	-	-
Optionally convertible debentures						
India Infrastructure Fund-I	-	175.44	153.51	-	-	-
India Infrastructure Fund-II	-	6,690.68	6,146.74	-	-	-
Compulsory Convertible Debenture						
Galaxy Investments II Pte. Ltd.	7,978.14	-	-	-	-	-
Interest payable						
India Infrastructure Fund - II	-	25.29	12.65	-	-	-
Non convertible debentures						
India Infrastructure Fund - II	-	-	50.00	-	-	-
Interest accrued on CCD						
Galaxy Investments II Pte. Ltd.	312.13	-	-	-	-	-



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Transactions and outstanding balances with related parties in the ordinary course of business

Particulars	Transactions with enterprises having significant influence over the SPV Group		Transactions with key managerial personnel of SPV Group / relatives of key managerial personnels of SPV Group	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Interest accrued but not due				
India Infrastructure Fund - II	-	-	9.45	-
India Infrastructure Fund	-	6.60	3.73	-
Trade and other payables				
Highway Concessions One Private Limited	-	-	8.41	-
Borrowings outstanding				
Highway Concessions One Private Limited	-	315.00	315.00	-
India Infrastructure Fund	-	10.91	9.92	-
Transfer out obligation as per actuarial Gratuity and Leave Benefit				
Highway Concessions One Private Limited	0.82	-	-	-

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

41 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The SPV Group's primary business segment is reflected based on principal business activities carried on by the SPV Group i.e. building, operating and management of road projects and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The SPV Group derives its major revenues from operation and maintenance of highways. The SPV Group is operating in India which is considered as a single geographical segment.

42 Earnings Per Unit

The number of units that Highways Infrastructure Trust will issue to investors in the proposed private placement and to Galaxy Investments II Pte. Ltd. ('Sponsor') in exchange of the shareholding in the SPV Group and against the loan from Sponsors is not presently ascertainable. Hence the disclosures in respect of Earnings per Unit have not been given.

43 Disclosures as required by SEBI Circular no. CIR/TMD/DF/114/2016 dated 20 October 2016

A Project wise operating cash flows

Project wise operating cash flows for the financial year ended 31 March 2020:

Particulars	Ulundurpet Expressways Private Limited	Shillong Expressway Private Limited	Jodhpur Pali Expressway Private Limited	Godhra Expressways Private Limited	Dewas Bhopal Corridor Private Limited	Nirmal Bot Limited
Loss/ Profit before tax	(144.77)	108.74	(310.61)	(465.58)	278.22	107.08
Adjustments for:						
Depreciation and amortisation expense	690.16	0.12	62.63	133.34	151.37	1.05
Gain on sale of investments (net)	(19.14)	(7.34)	(13.90)	(24.44)	(22.73)	(33.41)
(Gain) / loss on investments carried at fair value through profit or loss (net)	(12.93)	(2.83)	3.41	(1.97)	(6.58)	19.63
Modification gain on annuity	-	(35.85)	-	-	-	(55.25)
Excess provisions written back	(0.93)	-	-	-	-	(0.06)
Interest income	(1.81)	(26.39)	(6.46)	(0.55)	(10.06)	(18.46)
Re-measurement losses / (gains) on defined benefit obligations	(0.18)	(0.05)	(0.50)	(0.39)	(0.16)	0.04
Unwinding finance cost on deferred payment to NHAI for purchase of right to charge users of toll road	-	-	16.32	127.12	-	-
Unwinding of discount on provisions and financial liabilities carried at amortised cost	38.65	-	-	-	-	-
Unwinding of discount on major maintenance provision	19.61	-	14.14	17.61	17.39	-
Finance cost	421.97	148.38	506.51	967.56	289.24	190.28
Major maintenance provision	99.27	10.00	68.75	43.50	329.04	283.56
Gain on modification of financial liability	-	(13.34)	-	-	-	-
Operating profit before working capital changes and other adjustments	1,089.90	181.44	340.29	796.20	1,025.73	494.46
Working capital changes and other adjustments:						
Trade receivables	(21.31)	-	(2.42)	-	-	(1.69)
Other current and non-current financial assets	9.95	261.27	(0.09)	0.04	0.10	(267.27)
Other current and non-current assets	(35.09)	(0.27)	(19.44)	(19.96)	(12.01)	(32.53)
Trade payables	29.23	17.50	11.93	6.24	18.71	66.91
Provisions	(345.31)	(60.79)	1.83	1.30	(216.40)	(283.59)
Other current and non-current financial liabilities	(4.22)	(97.49)	(18.19)	(118.56)	(45.11)	(3.11)
Other current and non-current liabilities	3.32	(8.68)	(3.54)	2.56	2.17	3.88
Cash flow from / (used in) operating activities post working capital changes	726.48	292.98	310.36	667.82	773.19	(22.94)
Income tax paid (net)	(0.04)	(25.22)	(2.30)	2.21	(39.59)	(23.63)
Net cash generated from / (used in) operating activities	726.44	267.76	308.06	670.03	733.60	(46.57)



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

Project wise operating cash flows for the financial year ended 31 March 2021:

Particulars	Ulundurpet Expressways Private Limited	Shillong Expressway Private Limited	Jodhpur Pali Expressway Private Limited	Godhra Expressways Private Limited	Dewas Bhopal Corridor Private Limited	Nirmal Bot Limited
Loss/Profit before tax	(173.64)	100.89	(378.23)	(364.62)	436.60	156.27
Adjustments for:						
Depreciation and amortisation expense	574.07	0.10	75.91	149.45	119.11	1.17
Gain on sale of investments (net)	(18.30)	(10.22)	(7.05)	(11.08)	(26.20)	(8.66)
(Gain) / loss on investments carried at fair value through profit or loss (net)	(1.47)	1.80	0.79	(5.14)	7.25	2.36
Modification gain on annuity	-	(19.40)	-	-	-	(124.26)
Excess provisions written back	(1.79)	-	-	-	(0.47)	-
Interest income	(2.42)	(24.42)	(7.42)	(1.10)	(9.93)	(16.99)
Re-measurement losses / (gains) on defined benefit obligations	0.01	(0.02)	0.40	(0.31)	0.40	0.10
Unwinding finance cost on deferred payment to NHAI for purchase of right to charge users of toll road	-	-	16.39	129.58	-	-
Unwinding of discount on provisions and financial liabilities carried at amortised cost	41.74	-	-	-	-	-
Unwinding of discount on major maintenance provision	6.95	-	22.78	-	30.24	-
Finance cost	380.08	130.47	539.67	1,004.26	262.11	176.24
Major maintenance provision	95.02	23.00	80.95	9.69	242.78	-
Gain on modification of financial liability	-	(61.09)	-	-	-	-
Operating profit before working capital changes and other adjustments	900.26	138.10	344.20	910.73	1,061.89	186.23
Working capital changes and other adjustments:						
Trade receivables	16.69	4.76	(3.76)	1.90	-	(1.03)
Other current and non-current financial assets	(8.02)	185.34	0.34	(4.46)	0.01	(352.72)
Other current and non-current assets	(6.19)	(3.00)	12.34	12.66	(11.26)	(4.00)
Trade payables	11.99	9.77	4.37	15.42	41.78	(13.15)
Provisions	(17.44)	(75.06)	0.08	(33.62)	(177.31)	15.03
Other current and non-current financial liabilities	15.71	(22.20)	(15.33)	(111.10)	(34.23)	(8.90)
Other current and non-current liabilities	(2.05)	0.98	(3.49)	(6.22)	(1.58)	(2.78)
Cash flow from / (used in) operating activities post working capital changes	910.95	238.69	338.75	785.31	879.30	(181.32)
Income tax paid (net)	0.06	(8.24)	1.16	0.27	(101.72)	(17.88)
Net cash generated from / (used in) operating activities	911.01	230.45	339.91	785.58	777.58	(199.20)

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Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

Project wise operating cash flows for the year ended 31 March 2022:

Particulars	Ulundurpet Expressways Private Limited	Shillong Expressway Private Limited	Jodhpur Pali Expressway Private Limited	Godhra Expressways Private Limited	Dewas Bhopal Corridor Private Limited	Nirmal Bot Limited
Profit/ (loss) before tax	47.86	130.55	(304.83)	(333.25)	795.62	23.61
Adjustments for:						
Depreciation and amortisation expense	630.79	0.15	79.83	164.99	139.95	1.72
Gain on sale of property, plant and equipment (net)	(0.04)	-	-	-	-	-
Gain on sale of investments (net)	(15.81)	(8.52)	(3.17)	(18.61)	(20.47)	(4.01)
Loss / (gain) on investments carried at fair value through profit or loss (net)	-	-	0.75	(4.10)	(3.01)	(0.15)
Modification gain on annuity	-	(46.95)	-	-	-	(4.76)
Excess provisions written back	(0.84)	-	-	-	(0.56)	-
Interest income	(21.77)	(28.17)	(13.04)	(7.32)	(13.68)	(19.10)
Re-measurement losses / (gains) on defined benefit obligations	(0.13)	(0.03)	0.04	0.29	(0.04)	0.10
Unwinding finance cost on deferred payment to NHAI for purchase of right to charge users of toll road	-	-	16.71	131.59	-	-
Unwinding of discount on provisions and financial liabilities carried at amortised cost	45.97	-	-	-	3.18	-
Unwinding of discount on major maintenance provision	13.13	-	24.24	1.64	39.42	-
Finance cost	332.26	111.79	564.59	1,078.82	246.85	165.36
Major maintenance provision	111.12	-	58.02	22.99	118.09	-
Gain on modification of financial liability	-	(52.55)	-	-	-	-
Operating profit before working capital changes and other adjustments	1,142.53	106.28	423.15	1,037.04	1,305.34	162.77
Working capital changes and other adjustments:						
Trade receivables	23.73	3.09	0.40	-	-	4.40
Other current and non-current financial assets	(1.27)	203.77	(96.27)	(1.63)	(0.04)	251.39
Other current and non-current assets	37.38	(1.08)	1.75	(1.28)	12.49	0.78
Trade payables	(16.50)	(11.69)	49.13	74.82	60.22	(46.50)
Provisions	0.81	0.26	(184.78)	(247.94)	(503.32)	0.05
Other current and non-current financial liabilities	27.55	1.67	22.49	37.73	17.97	8.94
Other current and non-current liabilities	3.42	(1.86)	2.80	4.98	7.27	(1.23)
Cash flow from operating activities post working capital changes	1,217.66	300.43	218.68	903.72	899.93	380.60
Income tax paid (net)	(6.71)	(22.04)	(1.39)	(21.79)	(149.29)	(15.36)
Net cash generated from operating activities	1,210.95	278.39	217.29	881.93	750.64	365.24

B Capitalisation statement

Particulars	Pre-issue as at 31 March 2022	As adjusted for issue*
Non-current borrowings (refer note 17A)	21,260.80	
Current borrowings (refer note 17B)	2,007.63	
Total debt (A)	23,268.43	
Equity share capital (refer note 15)	3,200.95	
Other equity (refer note 16)	(2,812.09)	
Total equity (B)	388.86	
Debt equity ratio [A/(A+B)]	0.98	

* corresponding details post private placement are not available, hence the required disclosures in respect of the same have not been provided in the above table

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

C Debt payment history as at 31 March 2020

1 Ulundurpet Expressways Private Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,811.90	2,455.22	-	499.83
Repayments during the year	(1.84)	(423.52)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	1.92	0.38	-	52.55
Carrying amount of debt at the end of the year	1,811.98	2,032.08	-	552.38

2 Shillong Expressway Private Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,433.99	-	410.52	-
Repayments during the year	(211.65)	-	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	0.98	-	36.42	-
Carrying amount of debt at the end of the year	1,138.44	-	531.84	-

3 Jodhpur Pali Expressway Private Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,405.61	1,409.14	-	1,630.68
Repayments during the year	(34.80)	(34.08)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	1.38	1.38	-	215.65
Carrying amount of debt at the end of the year	1,372.19	1,376.45	-	1,846.33

4 Godhra Expressways Private Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	854.98	3,461.20	-	3,773.00
Additional borrowings during the year	158.69	700.00	-	-
Repayments during the year	(860.68)	(36.19)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	5.42	3.39	-	527.42
Carrying amount of debt at the end of the year	158.40	4,128.41	-	4,300.42

5 Dewas Bhopal Corridor Private Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,345.83	1,657.30	-	50.00
Repayments during the year	(41.46)	(17.00)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	0.82	2.44	-	-
Carrying amount of debt at the end of the year	1,305.19	1,642.74	-	50.00

6 Nirmal Bot Limited

Particulars	As at 31 March 2020			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	-	1,702.60	-	315.00
Repayments during the year	-	(138.80)	-	-
Carrying amount of debt at the end of the year	-	1,563.80	-	315.00



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

D Debt payment history as at 31 March 2021

1 Ulundurpet Expressways Private Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,811.98	2,032.08	-	552.38
Repayments during the year	(1.38)	(238.23)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	1.66	0.20	-	59.81
Carrying amount of debt at the end of the year	1,812.27	1,794.05	-	612.18

2 Shillong Expressway Private Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,138.44	-	531.84	-
Repayments during the year	(210.50)	-	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	0.81	-	(12.77)	-
Carrying amount of debt at the end of the year	928.75	-	519.07	-

3 Jodhpur Pali Expressway Private Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,372.19	1,376.45	-	1,846.33
Additional borrowings during the year	111.68	-	-	-
Repayments during the year	(28.51)	(25.38)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	1.27	1.28	-	245.84
Carrying amount of debt at the end of the year	1,456.64	1,352.36	-	2,092.17

4 Godhra Expressways Private Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	158.40	4,128.42	-	4,300.42
Repayments during the year	(1.69)	(87.16)	-	(258.30)
Other adjustments/settlements during the year				
- Unwinding of interest	0.02	2.55	-	556.40
Carrying amount of debt at the end of the year	156.73	4,043.80	-	4,598.52

5 Dewas Bhopal Corridor Private Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,305.19	1,642.74	-	50.00
Repayments during the year	(41.46)	(17.00)	-	(50.00)
Other adjustments/settlements during the year				
- Unwinding of interest	0.81	2.42	-	-
Carrying amount of debt at the end of the year	1,264.54	1,628.16	-	-

6 Nirmal Bot Limited

Particulars	As at 31 March 2021			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	-	1,563.80	-	315.00
Repayments during the year	-	(143.70)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	-	-	-	-
Carrying amount of debt at the end of the year	-	1,420.10	-	315.00



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

E Debt payment history as at 31 March 2022

1 Ulundurpet Expressways Private Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,812.27	1,794.05	-	612.18
Additional borrowings during the year	-	-	-	219.05
Repayments during the year	(18.83)	(754.40)	-	(201.54)
Other adjustments/settlements during the year				
- Unwinding of interest	2.14	0.26	-	58.46
Carrying amount of debt at the end of the year	1,795.58	1,039.91	-	688.15

2 Shillong Expressway Private Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	928.75	-	519.07	-
Repayments during the year	(227.68)	-	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	0.62	-	-	-
Carrying amount of debt at the end of the year	701.69	-	519.07	-

3 Jodhpur Pali Expressway Private Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,456.64	1,352.36	-	2,092.17
Additional borrowings during the year	-	-	-	2,333.83
Repayments during the year	(65.69)	(146.44)	-	(2,333.83)
Other adjustments/settlements during the year				
- Unwinding of interest	1.57	0.96	-	241.66
Carrying amount of debt at the end of the year	1,392.52	1,206.88	-	2,333.83

4 Godhra Expressways Private Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	156.73	4,043.80	-	4,598.52
Additional borrowings during the year	-	-	-	5,094.14
Repayments during the year	(0.09)	(123.93)	-	(5,094.14)
Other adjustments/settlements during the year				
- Unwinding of interest	0.01	2.50	-	495.62
Carrying amount of debt at the end of the year	156.65	3,922.37	-	5,094.14

5 Dewas Bhopal Corridor Private Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	1,264.54	1,628.16	-	-
Repayments during the year	(41.46)	(17.00)	-	-
Other adjustments/settlements during the year				
- Unwinding of interest	0.79	2.39	-	-
Carrying amount of debt at the end of the year	1,223.87	1,613.55	-	-

6 Nirmal Bot Limited

Particulars	As at 31 March 2022			
	Term loans	Debentures (external)	Liability portion of compound instruments	Loans from related parties / OCD/Other
Carrying amount of debt at the beginning of the year	-	1,420.10	-	315.00
Additional borrowings during the year	-	-	-	331.12
Repayments during the year	-	(171.00)	-	(315.00)
Carrying amount of debt at the end of the year	-	1,249.10	-	331.12



Highways Infrastructure Trust
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions unless otherwise stated)

44 Revenue from contracts with customers

1 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:

Description	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
Revenue from operations			
(a) Engineering, procurement and construction contracts and change of scope	407.82	342.81	656.67
(b) Toll income from Expressway	4,549.06	3,919.12	3,922.85
(c) Interest income on annuity receivable from NHAI	307.88	444.39	420.28
(d) Claim from NHAI	604.80	378.72	-
Total revenue	5,866.56	5,085.04	5,008.80

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2022, 31 March 2021 and 31 March 2020:

S.No.	Types of Products by Nature	Types of Services by timing	For the financial year ended 31 March 2022	For the financial year ended 31 March 2021	For the financial year ended 31 March 2020
1	Service	At the point of time	5,558.68	4,640.65	4,579.52
2	Service	Over the period of time	307.88	444.39	429.28
	Total Revenue		5,866.56	5,085.04	5,008.80

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Contract assets			
Trade receivables	37.30	68.92	87.48
Receivables under service concession arrangements	1,944.23	2,411.73	2,780.46
Total	1,981.53	2,480.65	2,867.94
Contract liability			
Mobilisation advance from concession authority	-	-	2.98
Total	-	-	2.98

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognized upon satisfaction of Performance obligation. Trade Receivables are non-interest bearing and are generally due within 180 days except retention money held by the customer as per the terms and conditions of the contract. Basis the credit risk assessment done by the SPV Group, there is no provision for expected credit losses required to be recognized on Trade Receivables. Contract liability is the SPV Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

3 There is no adjustment made to the contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement with the contracted price under the Contract.

4 For movement in service concession arrangement, refer note 7A and 7B for financial asset model. There are no significant changes in other contract assets of the group.

5 Performance obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI and approved by management and payment is generally due at the time of providing service.

Contract revenue

The performance obligation under service concession agreements (SCA) is due on completion of work as per terms of SCA.

6 Significant changes in the contract liabilities balances during the year

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Opening balance	-	2.98	6.02
Addition during the year	-	-	2.98
Revenue recognised during the year	-	(2.98)	(6.02)
Closing balance	-	-	2.98

7 Disclosure under Appendix - C & D to Ind AS 115 - "Service Concession Arrangements"

Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date (In Years)	Construction Completion date under the concession agreement
Jodhpur Pali Expressway Private limited	16 September 2013	15 September 2038	25.00	31 October 2014
Ulundurpet Expressways Private Limited	16 October 2006	21 January 2027	20.26	23 July 2009
Godlira Expressways Private Limited	01 March 2011	28 February 2038	27.00	31 October 2013
Dewas Bhopal Corridor Private Limited	20 March 2008	02 December 2033	25.71	10 February 2009
Nirmal Bt Limited	30 October 2007	29 October 2027	20.00	22 July 2009
Shalangi Expressways Private Limited	07 February 2011	06 February 2026	15.00	28 February 2013

i) The above BOT/DBFOT projects shall have following rights / obligations in accordance with the Concession Agreement entered into with the respective Government Authorities

- Right to use the Specified Assets
- Obligations to provide or rights to except provision of services
- Obligations to deliver or rights to receive at the end of concession

ii) The actual concession period may vary based on terms of the respective concession agreements.



45 The Special Purpose Combined Financial Statements are prepared after considering the adjustments as required pursuant to section 3.4 of SEBI Circular no. CIR/IMD/DF/114/2016 dated 20 October 2016. Below disclosure complies with the adjustments made to the audited financial statements of the project SPVs for the financial year ended 31 March 2022, 31 March 2021 and 31 March 2020 respectively, while preparing these Special Purpose Combined Financial Statements.

Particulars	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020		Note reference
	Audited financial statements	Special Purpose Combined Financial Statements	Audited financial statements	Special Purpose Combined Financial Statements	Audited financial statements	Special Purpose Combined Financial Statements	
ASSETS							
Non-current assets							
Property, plant and equipment	130.04	130.04	66.93	66.93	62.05	62.05	Note 1
Capital work-in-progress	2.39	2.39	9.40	9.40	-	-	Note 2
Intangible assets	20,246.54	20,246.56	21,249.03	21,249.03	22,159.81	22,159.81	Note 3
Financial assets							Note 4
Investments	269.76	-	299.20	-	216.74	216.74	Note 5
Trade receivables	-	-	26.57	(26.37)	(26.57)	(26.57)	Note 6
Loans	-	-	4.72	(4.72)	4.95	4.95	Note 7
Other financial assets	1,927.78	1,382.88	2,344.60	1,626.38	2,297.94	1,861.32	Note 8
Deferred tax assets (net)	156.81	-	40.41	-	14.91	(14.91)	Note 9
Non-current tax assets (net)	13.50	89.40	14.30	74.29	20.03	48.49	Note 10
Other non-current assets	0.29	-	0.09	-	12.23	0.45	Note 11
Total non-current assets	22,747.11	21,851.27	24,055.25	23,026.48	24,824.23	24,161.15	Note 12
Current assets							
Financial assets							
Investments	1,705.93	2,132.39	1,633.01	2,156.37	1,876.36	388.75	Note 13
Trade receivables	46.42	37.30	38.90	68.92	77.32	10.16	Note 14
Cash and cash equivalents	604.02	365.82	322.58	79.81	496.69	(321.79)	Note 15
Bank balances other than cash and cash equivalents above	1,498.24	474.58	1,026.14	596.07	671.36	187.77	Note 16
Others financial assets	819.80	941.61	804.36	949.80	737.44	202.24	Note 17
Current tax assets	61.81	-	45.92	-	37.28	(37.28)	Note 18
Other current assets	72.88	72.56	106.35	122.14	108.90	0.94	Note 19
Total current assets	4,809.10	5,542.30	3,997.26	4,099.25	4,005.36	4,636.15	Note 20
Total assets	27,556.21	27,393.57	28,052.51	28,025.73	28,829.59	28,797.30	
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	3,200.95	3,200.95	3,200.95	3,200.95	3,200.95	3,200.95	Note 21
Other equity	(2,010.91)	(2,812.09)	(2,389.93)	(2,467.13)	(1,387.50)	(1,619.74)	Note 22
Total equity	290.04	388.86	811.02	733.82	1,813.45	1,581.21	
LIABILITIES							
Non-current liabilities							
Financial liabilities							
Borrowings	21,260.81	21,260.80	18,482.53	22,352.15	18,898.52	3,565.37	Note 23
Other financial liabilities	1,277.17	1,276.93	1,272.39	1,265.55	1,243.31	(0.25)	Note 24
Provisions	380.28	324.55	286.29	571.96	613.40	(25.95)	Note 25
Deferred tax liabilities (net)	1,054.60	849.36	260.19	334.57	257.14	252.98	Note 26
Total non-current liabilities	23,972.86	23,711.64	20,301.40	24,424.23	20,992.37	3,792.36	Note 27
Current liabilities							
Financial liabilities							
Borrowings	2,087.63	2,087.63	3,769.63	1,742.21	3,565.57	1,661.56	Note 28
Trade payables	90.16	320.80	68.21	143.11	142.54	70.74	Note 29
Other financial liabilities	854.83	649.37	2,138.62	303.19	1,979.02	260.50	Note 30
Other current liabilities	31.16	31.16	15.82	15.82	59.25	(28.30)	Note 31
Provisions	305.24	279.82	932.74	580.08	276.42	262.63	Note 32
Current tax liabilities (net)	4.29	4.29	15.07	(0.01)	0.97	1.48	Note 33
Total current liabilities	3,295.31	3,293.07	6,940.09	4,072.41	6,023.77	2,431.37	Note 34
Total liabilities	27,268.17	27,004.71	27,241.49	28,496.64	27,016.14	27,228.73	
Total equity and liabilities	27,556.21	27,393.57	28,052.51	28,025.73	28,829.59	28,797.30	



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(All amounts in ₹ millions unless otherwise stated)

Note 1 - Intangible Assets

Adjustments on account of incorporating the effect of revised projected revenue in line with the traffic studies conducted by the SPV Group, consequently leading to an adjustment in amortisation on intangible assets.

Note 2 - Investments (Non-Current and Current)

Adjustment is on account of following items:

- a) reclassification of investment from 'non-current investment' to 'current-investment' based on nature and intention of maturity by SPV Group in accordance with suggestive framework; and
- b) reclassification of investments from 'cash and cash equivalents' to 'current investments' based on nature and intention of maturity by SPV Group in accordance with suggestive framework.

Note 3 - Loan and other financial Assets (Non-Current and Current)

Adjustments on account of :-

- a) restatement to incorporate the appropriate accounting treatment relating to the service concession arrangement with NHAI in accordance with Ind AS 115-'Revenue from contract with customers', post incorporating the impact of estimates been considered in line with technical studies conducted by the management;
- b) reclassification of current and non-current portion of annuity receivables under service concession arrangement from 'other non-current financial assets' to 'other current financial asset' and vice-versa;
- c) reclassification of fixed deposits from 'other non-current financial asset' to 'bank balances other than cash and cash equivalents' in accordance with the maturity date;
- d) reclassifications of change of scope receivables from 'other current financial assets' to 'current trade receivables' being operating in nature;
- e) reclassification of capital advance from 'other non-current financial assets' to 'other non-current assets' in accordance with suggestive framework;
- f) reclassifications of contract asset from 'other current financial asset' to 'other current assets' in accordance with suggestive framework;
- g) reclassification of retention money receivable from NHAI which are in the normal course of business from 'other non-current financial assets' to 'trade receivables' in accordance with suggestive framework; and
- h) reclassification of security deposits from 'loans' to 'other current financial assets' in accordance with suggestive framework.

Note -4 Deferred tax assets and liabilities

Adjustments to recognise corresponding deferred tax / tax credit (minimum alternative tax) in accordance with Ind AS 12- 'Income Taxes' and reclassification from 'deferred tax assets' to 'deferred tax liability' after incorporating impacts of the adjustments (explained in this note), wherever applicable.

Note 5 - Tax Assets (Non-Current and Current)

Adjustments on account of the following items:

- a) reclassification of advance income taxes (net) from 'current tax assets (net)' and 'other current assets' to 'non-current tax assets (net)' in accordance with best suggestive framework; and
- b) reclassifications between 'current tax assets (net)', 'non-current tax assets (net)' and 'current tax liabilities' to incorporate the income tax impacts on the adjustments in accordance with suggestive framework.

Note 6 - Trade Receivables (Non-Current and Current)

Adjustments on account of the following items:

- a) reclassifications of receivables from 'non-current trade receivables' to 'current trade receivables' based on the normal operating cycle of the company in accordance with suggestive framework;
- b) reclassifications of change of scope receivables from 'other current financial assets' to 'current trade receivables' being operating in nature, in accordance with suggestive framework;
- c) reclassifications of other receivables not in the nature of trade receivables to 'other current financial assets' in accordance with suggestive framework; and
- d) reclassification of retention money receivable from NHAI which are in the normal course of business from 'other non-current financial assets' to 'trade receivables' in accordance with suggestive framework.

Note 7 - Current Asset (Non-Current and Current)

Adjustments on account of following:

- a) reclassifications of contract asset from 'other current financial asset' to 'other current assets' based on the nature of the receivables, in accordance with suggestive framework;
- b) reclassification of capital advance from 'other non-current financial assets' to 'other non-current assets', in accordance with suggestive framework ;
- c) adjustment with respect to netting off current and non-current portion of fair value of gratuity from 'other current and non-current assets' to 'current and non-current provision for gratuity, in line with suggestive framework; and
- d) reclassification of retention money receivable from NHAI which are in the normal course of business from 'other non-current assets' to 'trade receivables' in line with suggestive framework.



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Summary of significant accounting policies and other explanatory information
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Note 8 - Cash and Cash Equivalents

Adjustment is on account of reclassification of investments from 'cash and cash equivalents' to 'current investments' based on nature and intention of maturity by SPV Group.

Note 9 - Bank balances other than cash and cash equivalents

Adjustments on account of reclassifications of fixed deposits coming in 'cash and cash equivalents', 'bank balances other than cash and cash equivalents' and 'other non-current financial assets' (along with interest accrued) in accordance with their maturity terms.

Note 10 - Other Equity and consequent tax impact on adjustments

Adjustments in Other equity and Combined Statement of Profit and Loss has been made consequent to the adjustments (explained in this note) along with corresponding impacts to 'tax expense', wherever applicable.

Note 11 - Borrowings (Non-Current and Current)

Adjustments on account of following:

- reclassification of optionally convertible debentures (OCDs) from 'current borrowings' to 'non-current borrowings' based on the nature of the instrument and expected outflow in the next year from the each reporting years; and
- reclassification of current maturities of long term debt from 'other current financial liability' to 'current-borrowings' in accordance with suggestive framework.

Note 12- Other-current and non-current financial liabilities:

Adjustments on account of the following items:

- Reclassification of interest accrued not due from "non current financial liability" to "current financial liability" in line with suggestive framework;
- reclassification of payables on account of goods purchased and/or services received in the normal course of the business and outstanding expenses to 'trade payables' in line with suggestive framework; and
- reclassification of provision for unspent CSR expense from "non current provision" to "other current financial liability" in accordance with suggestive framework.

Note - 13 Other current liabilities

Adjustments on account reclassifications / netting of advances from concession authorities from 'other current liabilities' to 'trade receivables'.

Note -14 Provisions (Non-Current and Current)

Adjustments on account of the following items:

- Adjustment in major maintenance obligation to incorporate the effect of revised projected revenue and major maintenance expenditure in line with the traffic and technical studies respectively, conducted by the SPV Group and reclassification of major maintenance obligation into current and non current provision basis expected outflow in the next year from each reporting years;
- Adjustment in major maintenance obligation to incorporate the impact of subsequent adjustable event as per the relevant accounting principles revised in line with updated technical studies done by the technical experts;
- Adjustment for reclassification of provision for employee benefits between current portion and non current portion of employee benefit provision, based on the actuarial certificates;
- reclassification of outstanding expenses from 'current provision' to 'trade payables' in accordance with suggestive framework; and
- reclassification of provision for unspent CSR expense from "non current provision" to "other current financial liability" in accordance with suggestive framework.

Note - 15 Trade Payables

Adjustments on account of reclassification of payables on account of goods purchased and/or services received in the normal course of business to 'trade payables' earlier part of 'other current financial liabilities', in accordance with suggestive framework.

Note - 16 Current Tax Liability

Adjustments been made to recognise corresponding income tax / minimum alternative tax payable impacts (along with applicable interest) on the adjustments (explained in this note), wherever applicable and reclassifications between 'current tax assets (net)', 'non-current tax assets (net)' and 'current tax liabilities' post all income tax impacts on the adjustments (explained in this note), in accordance with suggestive framework.

Note - 17 Revenue from operations

Adjustments on account of the following items:

- restatement to incorporate the impacts relating to change in estimates in line with the technical studies conducted by the management for annuity road assets under service concession arrangement with NHAI in accordance with Ind AS 115-'Revenue from contract with customers';
- reclassification of modification gain on annuity to 'revenue from operations' which was earlier part of 'other income';
- reclassifications of claim from NHAI to 'revenue from operations' which was earlier part of 'other income'; and
- reclassification of demonetisation claim from "other income" to "revenue from operations".

Note - 18 Other Income

Adjustments on account of the following items:

- reclassification of 'loss on fair valuation of investment' from 'other income' to 'other expenses' which was earlier netted from other income;
- reclassification of modification gain on annuity to 'revenue from operations' which was earlier part of 'other income';
- reclassifications of claim from NHAI to 'revenue from operations' which was earlier part of 'other income'; and
- reclassification of demonetisation claim from "other income" to "revenue from operations".



Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions unless otherwise stated)

Note - 19 Operating Expenses

Adjustments on account of the following items:

- a) Reclassification of claim expenses relating to change of scope payable under pass through arrangement from 'other expenses' to 'operating expenses';
- b) Reclassification of 'Toll operation and maintenance expense, Major maintenance provision and Change of scope and utility shifting expenses from 'other expenses' to 'operating expenses'; and
- c) Adjustment in major maintenance expense to incorporate the effect of revised projected revenue and major maintenance expenditure in line with the traffic and technical studies respectively, conducted by the SPV Group.

Note - 20 Finance Cost

Adjustments on account of the following items:

- a) reclassification of interest on income tax from 'current tax expense' to 'finance cost';
- b) Adjustment in unwinding of discount on major maintenance provision to incorporate the effect of revised projected revenue and major maintenance expenditure in line with the traffic and technical studies respectively, conducted by the SPV Group; and
- c) restatement in loss on modification of liability to incorporate the impacts relating to change in estimates in line with the technical studies conducted by the management for annuity road assets under service concession arrangement with NHAI in accordance with Ind AS 115-'Revenue from contract with customers.

Note - 21 Depreciation and Amortisation Expense

Adjustments to incorporate the effect of revised projected revenue in line with the traffic studies conducted by the SPV Group, consequently leading to an adjustment in amortisation on intangible assets.

Note - 22 Other Expenses

Adjustments on account of the following items:

- a) reclassification of claim expenses relating to change of scope payable under pass through arrangement from 'other expenses' to 'operating expenses';
- b) reclassification of 'Toll operation and maintenance expense, major maintenance provision and Change of scope and utility shifting expenses from 'other expenses' to 'operating expenses'; and
- c) reclassification of 'loss on fair valuation of investment' from 'other income' to 'other expenses' which was earlier netted from other income.

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Highways Infrastructure Trust

Summary of significant accounting policies and other explanatory information (All amounts in ₹ millions unless otherwise stated)

46. The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the SPV Group. Slowdown in traffic was witnessed from mid of March 2020 owing to outbreak of COVID-19 in India. Subsequently, vide letter no. IT-25016/01/2018-Toll dated 25 March 2020 issued by Ministry of Road Transport and Highways (MoRTH) toll collections were suspended from 26 March 2020 to 19 April 2020. The traffic on the project roads increased gradually post lockdown, however, it was further impacted up to certain extents from April 2021 to June 2021 due to second wave of Covid-19 and subsequently again increased gradually. In accordance with the provisions of concession agreements with NHAI and notifications issued by MoRTH, management is claiming the extension in the concession period towards loss of revenue for the impacted period and for which management is evaluating and under process of getting the claims. In case of one of the Project SPV (DPCPL) under MPRDC, State of Madhya Pradesh, extension of concession period for 40 days have been received for the first wave and has been accepted by that SPV.

The management has considered the possible effects that may result from COVID-19 pandemic on the recoverability/carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on SPV Group's assets in future may differ from that estimated as at the date of approval of these special purpose combined financial statements.

47. All values are rounded to the nearest millions, unless otherwise indicated. Certain amount that are required to disclosed and do not appear due to rounding off are expressed as 0.00.

For Walker Chandniok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 08 July 2022



For and on behalf of the Board of Directors of Virescent Infrastructure Investment Manager Private Limited (acting as Investment Manager to Highways Infrastructure Trust)

Sanjay Grewal

Sanjay Grewal

Director

DIN: 01971866

Place: New Delhi

Date: 08 July 2022

Hardik Bhadrak Shah

Hardik Bhadrak Shah

Director

DIN: 06648474

Place: Mumbai

Date: 08 July 2022



Annexure III

Related Party Transactions entered during last 3 (Three) Financial Years

Please refer to Annexure II

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Annexure IV
Copy of Board Resolution

(Board Resolution)

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTOR OF HIGHWAY CONCESSIONS ONE PRIVATE LIMITED (ACTING AS AN INVESTMENT MANAGER OF HIGHWAYS INFRASTRUCTURE TRUST) HELD ON FRIDAY, JANUARY 5, 2024, THROUGH VIDEO CONFERENCING.

Approval for Issuance of listed, senior, secured, rated, taxable, redeemable non-convertible debt securities.

"RESOLVED THAT, in accordance with Regulations 20, 22 and all applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("**InvIT Regulations**"), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended ("**NCS Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") and the circulars and guidelines issued thereunder, and other applicable laws, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time (to the extent applicable), the requisite approvals (if any) from the Securities and Exchange Board of India ("**SEBI**"), the stock exchanges, any relevant governmental, statutory or regulatory authorities and subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, and in accordance with the Trust Deed and the Investment Management Agreement in respect of Highways Infrastructure Trust ("**HIT**"), the approval of the board of directors of the Company acting in a capacity of Investment Manager of HIT, be and is hereby granted for the offer, issue and allotment of up to 1,22,500 senior, secured, listed, rated, taxable, redeemable, non-convertible debentures of HIT, each having a face value of INR 1,00,000 (Indian Rupees One Lakh) aggregating up to INR 1,225 crores in one or more series or tranches ("**Debt Securities**") (the "**Issue**"), on a private placement basis to the eligible investors ("**Holders**");

RESOLVED FURTHER THAT the consent of the Board is granted to (a) create security by way of hypothecation, pledge and/or mortgage, in such form and manner, having such ranking and on such terms as the Debt Security Trustee and/or Investment Manager may deem fit in the best interest of HIT and the unitholders, on all or any of the movable and/or immovable properties and/or current assets of HIT and/or any of the SPVs and holding companies (each as defined in the InvIT Regulations) of HIT, both present and future, for securing the issuance of the Debt Securities, (b) the provision of any undertakings and/or guarantees as may be required and undertaking such other obligations as may be required in connection with the Issue; (c) doing all such acts, deeds and things and to execute all such documents, instruments and writings, and register all charges as may be required in this regard;

RESOLVED FURTHER THAT the approval of the Board be and is hereby granted for:

(a) enter into, execute, perform and deliver the following documents (as applicable):

- (i) the General Information Document and Key Information Document as may be approved by the Board;
- (ii) the trustee agreement for the appointment of a trustee ("Debt Security Trustee" or the "Trustee")
- (iii) the debt security trust deed;
- (iv) the common security trustee agreement and any deeds of accession in relation thereto;
- (v) the escrow agreement and any deeds of accession in relation thereto;
- (vi) the security documents, including the deed(s) of hypothecation, the pledge agreement(s) (including any deeds of accession in relation thereto and associated power(s) of attorney;

Highway Concessions One Private Limited

Unit No. 601-602, 6th Floor, Windsor House, Off CST Road, Kalina, Santacruz (E), Mumbai - 400098.

Tel : +91 22 6107 3200; Fax : +91 22 6103 30201; CIN No. U45200MH2010PTC208056

Email: info@highwayconcessions.com | Web: www.highwaystrust.com

HIGHWAY CONCESSIONS ONE PRIVATE LIMITED

- (vii) the tripartite agreement amongst the registrar and transfer agent of HIT and each of National Securities Depository Limited and Central Depository Services (India) Limited as is required;
- (viii) listing agreement with stock exchange(s)
- (ix) consent letter(s) and agreement(s) with rating agencies, the registrar and transfer agent and any other intermediary(ies) as may be appointed in connection with the Issue as is required;
- (x) any other documents, deeds, notices, letters, agreements, powers of attorney, declarations, memorandums, indentures, undertakings, instruments and forms as may be required (including by the Debt Security Trustee or the Holders) in relation to or in connection with or pursuant to the abovementioned Issue,

collectively, the "**Financing Documents**" including any amendments, restatements and modification thereto, from time to time;

- (b) negotiate, finalise, enter into, execute, perform and deliver the Financing Documents and give effect to any transactions contemplated thereunder; and
- (c) amend, novate, supplement, extend, restate or make any other modification to the Financing Documents, as may be required, from time to time, in relation to or in connection with or pursuant to the Financing Documents or to give effect to any transactions contemplated thereunder.

RESOLVED FURTHER THAT any of the Directors or Ms. Meghana Singh, General Counsel or Mr. Abhishek Chhajjer, Chief Financial Officer or Mr. Gaurav Chandna, Head-Strategic Finance or Mr. Himanshu Aggarwal or Mr. Raj Kumar Kanojia (hereinafter referred to as "**Authorised Persons**") (the "**Authorised Representatives**") be and hereby severally authorized to:

- (a) negotiate, finalise, execute and deliver the Financing Documents on behalf of HIT, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);
- (b) do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from, any governmental or regulatory authorities and other persons, including but not limited to the applicable depository(ies), the Reserve Bank of India, the Securities and Exchange Board of India and/or income tax authorities;
- (c) make payment of stamp duty and registration fees in relation to the Financing Documents;
- (d) create a recovery expense fund in accordance with the provisions of the NCS Regulations as amended from time to time and other applicable law;
- (e) register documents or charges with the relevant sub-registrar of assurances, where required, and also to sign and submit the necessary forms with the registrar of companies (if applicable) and other relevant government authorities;
- (f) sign and/or dispatch all documents and notices to be signed and/or dispatched by HIT under or in connection with the Financing Documents;
- (g) take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the Financing Documents, the transactions contemplated therein;

HIGHWAY CONCESSIONS ONE PRIVATE LIMITED

- (h) appoint various intermediaries including but not limited to the credit rating agency, registrar and transfer agents, arranger, valuer, security trustee, debenture trustee, legal counsel as required for the Issue;
- (i) negotiate and finalise fees payable to the Debenture Trustee, and all other persons providing services or otherwise associated with the issue of the Debt Securities;
- (j) open and operate such bank accounts for receipt of issue proceeds, demat accounts and escrow accounts with any banks or financial institutions, as may be required in furtherance of the Issue;
- (k) make the necessary application for creation of International Securities Identification Number ("ISIN") to National Securities Depository Limited ("NSDL") or Central Depository Services (India) Limited ("CDSL"), for rating certificates to the rating agency(ies) and such other applications to all such authorities as may be necessary from time to time for the purpose of issuance of the aforesaid Debt Securities;
- (l) get the Debt Securities admitted to NSDL and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and to negotiate, finalise and execute or ratify the agreements, undertakings or other writings required, with these authorities / agencies for the issue of Debt Securities in dematerialised form;
- (m) finalise and file the general information document, key information document(s) with various stock exchanges, SEBI and or any other statutory authorities in compliance with applicable laws and regulations;
- (n) approve, decide on and finalize the terms and conditions applicable to the Debt Securities and to accept any amendments, modifications, variations or alterations thereto and all other related matters, including the determination of the size of the Issue up to the maximum limit prescribed by the Board;
- (o) to obtain all necessary authorizations and/or consents from governmental authorities and/or third parties and to provide intimations as necessary in connection with the transactions contemplated under the Financing Documents and complete all formalities in respect thereto;
- (p) execute, file and deliver all necessary documents, instruments and do all acts necessary in relation to the Issue, including obtaining in-principal approval, listing approval, trading approval and processing corporate actions in respect of the Debt Securities, taking other actions as may be required in connection with the listing of the Debt Securities on stock exchanges including BSE Limited and/or National Stock Exchange of India Limited and executing necessary agreements, undertaking, declaration, affidavits, indemnities with any designated stock exchange and/or depositories including National Securities Depository Limited and/or Central Depository Services (India) Limited;
- (q) to allot the Debt Securities, issue debenture certificate(s) to the allottees, do all such acts, deeds, matters and things as may be required to dematerialise the Debt Securities, to sign agreements and/or such other documents as may be required by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and to credit the NCDs to the beneficiary accounts of the allottees;

HIGHWAY CONCESSIONS ONE PRIVATE LIMITED

(r) take all actions as may be required in connection with the creation security by way of charge and/or pledge over the current assets and receivables of HIT, including the loans and advances and any receivables accrued or realized from such loans and advances extended by HIT to any person, the securities held by HIT in any of its SPVs and/or holding companies (each as defined in the InvIT Regulations), and a charge over specific accounts (including the escrow account) of HIT, in each case in order to secure the obligations of HIT in relation to the Debt Securities.

RESOLVED FURTHER THAT the Board hereby appoints Catalyst Trusteeship Limited as the Debt Security Trustee, and Link Intime India Private Limited as the Registrar and Transfer Agent for the Issue.

RESOLVED FURTHER THAT the Board authorizes, the Authorized Representatives, to make a request to any person to furnish any undertaking(s) or enter into any other agreement(s), as may be required, in connection with Debt Securities.

RESOLVED FURTHER THAT any two of the above-mentioned Authorized Signatories, be and are hereby jointly authorized to settle any question or difficulties that may arise in the matter of the said issue of Debt Securities as may be considered necessary or expedient in the best interest of the Trust, without requiring any further approval of the Board of Directors.

RESOLVED FURTHER THAT the Board authorizes, the Authorized Representatives to make a request to any person to furnish any undertaking(s) or enter into any other agreement(s), as may be required, in connection with the Issue.

RESOLVED FURTHER THAT the resolutions aforesaid shall continue to be in force till the redemption of the Debt Securities or the termination of all the agreements and payment of all monies due to the debenture holders under the said agreements concluded pursuant to the issue and placement of Debt Securities.

RESOLVED FURTHER THAT a certified true copy of the above resolutions be furnished to the Debt Security Trustee, stock exchanges, depositories, statutory authorities and any other Person as the Debt Security Trustee may deem fit."

Certified copy to be true,

For Highway Concessions One Private Limited

(acting as Investment Manager of Highways Infrastructure Trust)


Neeraj Sanghi

Whole Time Director & CEO

DIN: 05110400

Place: Mumbai

Annexure V

Copy of Unitholders Resolution

(Unitholders Resolution)

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CERTIFIED TRUE COPY OF THE RESOLUTION BY WAY OF SIMPLE MAJORITY (I.E., WHERE THE VOTES CAST IN FAVOUR OF THE RESOLUTION ARE REQUIRED TO BE MORE THAN THE VOTES CAST AGAINST THE RESOLUTION) IN ACCORDANCE WITH REGULATION 22(4) OF THE SEBI INVIT REGULATIONS, AS AMENDED PASSED BY THE UNITHOLDERS BY WAY OF POSTAL BALLOT OF HIGHWAYS INFRASTRUCTURE TRUST, THE VOTING RESULTS IN THE SCRUTINIZER'S REPORT WAS DECLARAED ON DATED JULY 4, 2023.

APPROVAL OF ADDITIONAL DEBT WHICH MAY LEAD TO THE AGGREGATE CONSOLIDATED BORROWINGS AND DEFERRED PAYMENTS OF THE TRUST TO BE MORE THAN 25% AND UPTO 49% OF THE VALUE OF ASSETS OF THE TRUST AND MATTERS RELATED THERETO.

“RESOLVED THAT pursuant to the provisions of Regulations 20, 22 and any other applicable provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time (the **“SEBI InvIT Regulations”**) and other applicable laws, including any statutory, amendments, modifications or re-enactments thereto, and applicable notifications, clarifications, circulars, rules and regulations issued thereunder and subject to applicable regulatory approvals, subject to the trust deed dated December 03, 2021 of the Highways Infrastructure Trust (the **“Trust”**), (such trust deed, **“Trust Deed”**) and in terms of Borrowing Policy as adopted by the Trust, the consent of the Unitholders, be and is hereby accorded to the Trust, its Holding Companies (**“Holdcos”**) and its Special Purpose Vehicles (**“SPVs”**) (as defined under the InvIT Regulations) including any other entity(ies) set up or acquired by the Trust, in future, which qualify as a Holdcos or SPVs under the InvIT Regulations, to borrow from time to time, any sum or sums of money (in one or more tranches) but not exceeding amounts such that the aggregate consolidated borrowings and deferred payments of the Trust, its holdcos and SPVs, net of cash and cash equivalents do not exceed 49% of the value of the Trust's assets (as set out under Regulation 20(3)(a) of the InvIT Regulations) from time to time, in whatever form including but not limited to debentures, loans, advances, issuance of commercial paper and such other instruments, facilities and arrangements as permitted under applicable law, whether secured or unsecured, on such terms and conditions, as the Axis Trustee Services Limited (the **“Trustee”**) and/or the Board of Directors of Highway Concessions One Private Limited, the Investment Manager of the Trust (the **“Investment Manager”**), may deem fit in the best interest of the Trust and the Unitholders and on such security, including by way of mortgage, hypothecation, pledge, lien and/or charge and in such other form and manner and ranking and on such terms as the Investment Manager and/ or the Trustee may deem fit in the best interest of the Trust and the Unitholders on all or any of the movable or immovable properties, tangible or intangible assets and any other properties or assets of the Trust and of Holdcos/SPVs), both present and future, as the case may be, for securing the borrowings availed or to be availed by the Trust and/or holdcos and/or SPVs, including providing any undertakings and/or guarantees or other contractual support as may be required in connection therewith.”

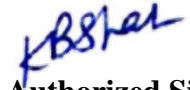
“RESOLVED FURTHER THAT the Trustee and/or the Board of Directors of the Investment Manager (including any committee(s) thereof), as the case may be and is hereby authorized on behalf of the Trust to do all acts, deeds, things, and matters, including sub-delegation of all, or any of these powers, as may be required or are necessary to give effect to above resolution or as otherwise considered by the Board of Directors of the Investment Manager (including any committee(s) thereof) and/ or the Trustee to be in the best interest of the Trust and the Unitholders and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose including to negotiate and finalize the terms and conditions of

any agreements, deeds, undertakings and any other documents, or otherwise in relation to the borrowings, including any amendments, supplements or modifications to such documents, as applicable or appropriate, and also to sign, execute, amend, deliver and terminate any agreements, documents, letters, deeds or instruments as may be required in this regard, as well as amendments and to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary, proper or desirable for such purpose, and to make any filings, furnish any returns or submit any other documents to any regulatory or governmental authorities as may be required, and to negotiate, finalize and execute all agreements, consents, certificates, undertakings, or other documents as may be required to be executed in this regard and further to do or cause to be done all such acts, deeds, matters and things as may be considered necessary and expedient in the interest of the Trust and the Unitholders.”

“RESOLVED FURTHER THAT the Board of directors of the Investment Manager be and is hereby authorised to delegate all or any of its powers herein to a duly constituted committee of the board or any one or more of the key managerial personnel of the Investment Manager.”

Certified to be true.

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



Authorized Signatory

Name: Kunjal Shah

Designation: Company Secretary and Compliance Officer

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT RESOLUTION BY WAY OF SIMPLE MAJORITY (I.E., WHERE THE VOTES CAST IN FAVOUR OF THE RESOLUTION ARE REQUIRED TO BE MORE THAN THE VOTES CAST AGAINST THE RESOLUTION) IN ACCORDANCE WITH REGULATION 22(4) OF THE SEBI INVIT REGULATIONS, AS AMENDED

As disclosed in the Placement Documents, Trust's total outstanding consolidated net debt after full utilization of the Issue Proceeds, will be within the regulatory requirement of 49% of the value of the InvIT Assets upon completion of the Issue (net of cash and cash equivalents) as specified under the SEBI InvIT Regulations. Under the terms of the SEBI InvIT Regulations and the borrowing policy as adopted by the Trust, the consolidated borrowings and deferred payments of the Trust, net of cash and cash equivalents, cannot exceed 49% of the value of the assets of Trust until certain conditions are met, and at any time cannot exceed 70% of the value of the assets of Trust until certain conditions as specified in the SEBI InvIT Regulations are met.

Further, if the consolidated borrowings of the Trust exceed 25% of the value of the assets of the Trust, further borrowings, up to 49% of the value of the assets of the Trust, is subject to:

- (i) obtaining a credit rating from a credit rating agency registered with SEBI; and
- (ii) approval of the Unitholders, in accordance with the SEBI InvIT Regulations.

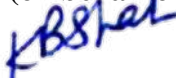
In this context, considering the funds requirement to effectively undertake, inter alia, (i) operation and maintenance assets of the Trust, its Holding Companies ("**Holdcos**") and its Special Purpose Vehicles ("**SPVs**") (as defined under the SEBI InvIT Regulations) including any other entity(ies) set up or acquired by the Trust in future, which qualify as a **holdcos** or **SPVs** under the SEBI InvIT Regulations; and (ii) acquisition of new road assets in the manner permitted by applicable law, the Trust proposes to avail financial assistance from time to time, in a form permitted under applicable law. Such financing may include (but not limited to) issuance of debentures, loans, advances, issuance of commercial paper etc., on such terms and conditions as the Axis Trustee Services Limited (the "**Trustee**") and/or Highway Concessions One Private Limited ("**Investment Manager**") may deem fit in the best interest of Trust and the Unitholders.

Overall, such incremental borrowing will result in an efficient capital structure for the Trust and will ensure capital availed by the Trust to be at competitive cost in line with the prevailing market conditions, thereby, assisting the Trust in enhancing returns to the Unitholders.

Further, pursuant to Regulation 20(3) of SEBI InvIT Regulations, the Trust needs to comply with the specified conditions for any borrowings exceeding 25 percent and upto 49 percent. Accordingly, Investment Manager on behalf of the Trust confirms that it shall obtain Credit Rating for its consolidated borrowings from the credit rating agency registered with the SEBI prior to availing any additional borrowing above 25 percent of the value of the assets of the Trust. Further, the Investment Manager shall ensure that the consolidated borrowings and deferred payments of the Trust are within the limits specified under the SEBI InvIT Regulations.

Certified to be true.

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


Authorized Signatory
Name: Kunjal Shah



Designation: Company Secretary and Compliance Officer