

7<sup>th</sup> May 2025

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400001

**Scrip Code: 544137**

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex, Bandra(E)  
Mumbai -400051

**Symbol: INDUSINVIT**

**Subject: Valuation Report of all assets of Indus Infra Trust *formerly* Bharat Highways InvIT (“Trust”) for Financial Year ended 31<sup>st</sup> March 2025**

Dear Ma’am / Sir,

Pursuant to Regulation 21 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time (“SEBI InvIT Regulations”) please find enclosed the Valuation Report of all assets of Indus Infra Trust for the Financial Year ended on 31<sup>st</sup> March 2025, issued by Independent Valuer Mr. S. Sundararaman having IBBI Registration No. IBBI/RV/06/2018/10238.

Pursuant to Regulation 10 of the SEBI InvIT Regulations, the computation of NAV of Units of Indus Infra Trust is arrived at INR 115.81 as at 31<sup>st</sup> March 2025 as below:

Particulars	
<b>A. Total Assets (INR Million)</b>	68,843.34
<b>B. Total Liabilities (INR Million)</b>	17,547.92
<b>C. Net Assets (A-B) (INR Million)</b>	51,295.42
<b>Outstanding Units (No. of Units)</b>	4429,38,605
<b>NAV at Fair Value (INR Per Unit)</b>	115.81

The intimation is also being uploaded on the website of the InvIT at: [www.indusinvit.com](http://www.indusinvit.com).

You are requested to take the same on your record.

Thanking you,

Yours sincerely,

**For Indus Infra Trust *formerly* Bharat Highways InvIT**  
**Acting through its Investment Manager**  
**GR Highways Investment Manager Private Limited**

**Mohnish Dutta**  
**Company Secretary & Compliance Officer**  
**M. No. FCS 10411**

**CC:**

**IDBI Trusteeship Services limited**

Ground Floor, Universal Insurance Building  
Sir P.M. Road, Fort,  
Mumbai, Maharashtra – 400001

**Encl:** as above



**Gurugram Office:**

Second Floor, Novus Tower, Plot No. 18,  
Sector-18, Gurugram, Haryana-122015



**Mumbai Office:**

Unit No. 1111, Eleventh Floor, A Wing. INS Tower,  
G Block, BKC, Bandra East, Mumbai, Maharashtra - 400051



**SEBI Registration No.:** In/InvIT/22-23/0023



**Contact No.:** +91 22 46611018, +91 124 6435000



**Email:** cs@indusinvit.com, ir@indusinvit.com



**Website:** www.indusinvit.com

**Prepared for:**  
**Indus Infra InvIT (“the Trust”)**

**GR Highways Investment Manager Private Limited (“the Investment Manager”)**

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

**Fair Enterprise Valuation**

**Valuation Date: 31<sup>st</sup> March 2025**

**Report Date: 7<sup>th</sup> May, 2025**

**Mr. S Sundararaman,**  
**Registered Valuer,**  
IBBI Registration No - IBBI/RV/06/2018/10238  
**Email – [chennaissr@gmail.com](mailto:chennaissr@gmail.com)**  
**Phone no: +91 97909 28047**  
**GST No: 33AHUPS0102L1Z8**

RV/SSR/A/01/R01

Date: 7<sup>th</sup> May, 2025

**Indus Infra Trust**

*(acting through IDBI Trusteeship Services Limited [in its capacity as "the Trustee" of the Trust])*

2<sup>nd</sup> Floor, Novus Tower, Plot No. 18,  
Sub. Major Laxmi Chand Road, Sector-18,  
Gurugram, Haryana – 122 015.

**GR Highways Investment Manager Private Limited**

*(acting as the Investment Manager to Indus Infra Trust)*

2<sup>nd</sup> Floor, Novus Tower, Plot No. 18,  
Sub. Major Laxmi Chand Road, Sector-18,  
Gurugram, Haryana – 122 015.

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

Dear Sir(s)/ Madam(s),

I, Mr. S. Sundararaman ("**Registered Valuer**" or "**RV**" or "**I**" or "**My**" or "**Me**") bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 14<sup>th</sup> April, 2025 as an independent valuer, as defined as per Regulation 2(zzf) of the SEBI InvIT Regulations, by **GR Highways Investment Manager Private Limited** ("**GHIMPL**" or "**the Investment Manager**") acting as the investment manager for **Indus Infra Trust** ("**the Trust**" or "**Indus Infra InvIT**"), for the financial valuation of the special purpose vehicles (defined below and hereinafter together referred as "**the SPVs**") of the Trust as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("**SEBI InvIT Regulations**").

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

Following Special Purpose Vehicles are held under the Trust:

Sr. No.	Name of the SPV	Term
1	GR Phagwara Expressway Limited	GPEL
2	Porbandar Dwarka Expressway Private Limited	PDEPL
3	GR Gundugolanu Devarapalli Highway Private Limited	GDHPL
4	GR Akkalkot Solapur Highway Private Limited	GASHPL
5	Varanasi Sangam Expressway Private Limited	VSEPL
6	GR Sangli Solapur Highway Private Limited	GSSHPL
7	GR Dwarka Devariya Highway Private Limited	GDDHPL
8	GR Aligarh Kanpur Highway Private Limited	GAKHPL
9	GR Galgalia Bahadurganj Highways Private Limited	GGBHPL

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

I am enclosing the Report providing opinion on the fair enterprise value of the SPVs as defined hereinafter on a going concern basis as at 31<sup>st</sup> March 2025 ("**Valuation Date**").

Enterprise Value ("**EV**") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPVs as at 31<sup>st</sup> March 2025, where the adjusted enterprise value ("**Adjusted EV**") is derived as EV as defined above plus cash or cash equivalents of the SPVs as at 31<sup>st</sup> March 2025.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. My team and I have no present or planned future interest in the Trust, the SPVs or the Investment Manager except to the extent of this appointment as an independent valuer and the fee for this Valuation Report ("**Report**") which is not contingent upon the values

reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

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

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

By nature, valuation is based on estimates and it includes the risks and uncertainties relating to the events occurring in the future. Accordingly, the actual figures in future may differ from these estimates and may have a significant impact on the valuation of the SPVs.

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

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

The valuation provided by RV and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("SEBI") thereunder as amended from time-to-time.

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 11 of this Report. This letter, the Report and the summary of valuation included herein can be provided to Trust's advisors and may be made available for the inspection to the public and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

I draw your attention to the limitation of liability clauses in Section 11 of this Report.

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

Yours faithfully,



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**S. Sundararaman**  
Registered Valuer  
IBBI Registration No.: IBBI/RV/06/2018/10238  
Asset Class: Securities or Financial Assets  
Place: Chennai  
UDIN: 25028423BMOMXH6738

## Definition, Abbreviation & Glossary of terms

Abbreviations	Meaning
BOT	Build, Operate and Transfer
Capex	Capital Expenditure
CCM	Comparable Companies Multiples
COD	Commercial Operation Date
CTM	Comparable Transactions Multiples
DCF	Discounted Cash Flow
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31 <sup>st</sup> March
GAKHPL	GR Aligarh Kanpur Highway Private Limited
GASHPL	GR Akkalkot Solapur Highway Private Limited
GDDHPL	GR Dwarka Devariya Highway Private Limited
GDHPL	GR Gundugolanu Devarapalli Highway Private Limited
GGBHPL	GR Galgalia Bahadurganj Highways Private Limited
GPEL	GR Phagwara Expressway Limited
GR Infra/Settlor	G R Infraprojects Limited
GSSHPL	GR Sangli Solapur Highway Private Limited
HAM	Hybrid Annuity Model
Ind AS	Indian Accounting Standards
INR	Indian Rupee
Investment Manager/ GHIMPL	GR Highways Investment Manager Private Limited
IVS	ICAI Valuation Standards 2018
Kms	Kilometers
MMR	Major Maintenance and Repairs
Mn	Million
MoRTH	Ministry of Road Transport and Highways
NAV	Net Asset Value Method
NH	National Highway
NHAI	National Highways Authority of India
NHDP	National Highways Development Project
NS-EW	North- South and East-West Corridors
O&M	Operation & Maintenance
PDEPL	Porbandar Dwarka Expressway Private Limited
PPP	Public Private Partnership
RFID	Radio Frequency Identification
RPA	Related Party Asset
RV	Registered Valuer
SA	Sponsor Asset
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
SH	State Highway
Sponsor/ AIPL	Aadharshila Infratech Private Limited
SPV	Special Purpose Vehicle

Trustee	IDBI Trusteeship Services Limited
VSEPL	Varanasi Sangam Expressway Private Limited

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## 1. Executive Summary

### 1.1. The Trust

- (i) Indus Infra Trust ("**Indus InvIT**" or "**the Trust**") erstwhile Bharat Highways InvIT, was established on 16<sup>th</sup> June 2022 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The Trust is registered as an Indian infrastructure investment trust with the Securities and Exchange Board of India ("**SEBI**") with effect from 3<sup>rd</sup> August 2022, bearing registration number IN/InvIT/22-23/0023, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("**the SEBI InvIT Regulations**"). Pursuant to change in name from Bharat Highways InvIT to Indus Infra Trust the Trust was issued a revised registration certificate by **SEBI** with effect from 13<sup>th</sup> December 2024, bearing registration number IN/InvIT/22-23/0023.
- (ii) Indus Infra InvIT is an Infrastructure Investment trust established to acquire, manage and invest infrastructure assets across sectors and/or securities of companies engaged in the infrastructure sector. The Trust currently owns a portfolio of 9 HAM road assets.
- (iii) IDBI Trusteeship Services Limited ("**the Trustee**") has been appointed as the Trustee of Indus Infra InvIT.
- (iv) The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 12<sup>th</sup> March 2024.
- (v) The unit holding pattern of the Trust as on 31<sup>st</sup> March 2025 is as follows:

Sr No.	Particulars	No. of Units	%
1	Sponsor & sponsor group	66,450,000	15.00%
2	Mutual Funds	92,038,465	20.78%
3	Financial Institutions/Banks	3,411,893	0.77%
4	Insurance Companies	14,290,639	3.23%
5	Provident/pension funds	1,728,849	0.39%
6	Foreign Portfolio Investors	6,792,328	1.53%
7	Alternative Investment Fund	2,857,991	0.65%
8	Body Corporates	222,491,370	50.23%
9	Non-institutional investors	32,877,070	7.42%
<b>Total Outstanding Units</b>		<b>442,938,605</b>	<b>100.00%</b>

Source: Investment Manager

### 1.2. The Sponsor

- (i) G R Infraprojects Limited ("**the Settlor**" or "**GR Infra**") has settled the Infrastructure Investment Trust under the SEBI InvIT Regulations called "**Indus Infra InvIT**" ("**Indus InvIT**" or "**the Trust**") (erstwhile Bharat Highways InvIT) as an irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to the trust deed dated 16<sup>th</sup> June 2022.
- (ii) Aadharshila Infratech Private Limited ("**the Sponsor**" or "**AIPL**") is the sponsor of Indus InvIT as per the amended & restated trust deed of Indus InvIT dated 11<sup>th</sup> November, 2024.
- (iii) The Sponsor is a private company, limited by shares and was incorporated on 30<sup>th</sup> June, 2010 under the Companies Act, 1956.
- (iv) Equity shareholding of the Sponsor as on 31<sup>st</sup> March 2025 is as under:

Sr. No.	Particulars	No. of shares	%
1	Ms. Riya Agarwal	4,300	43.00%
2	Mr. Rahul Agarwal	3,185	31.85%
3	Mr. Mehul Agarwal	2,515	25.15%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

Source: Investment Manager

### 1.3. The Settlor

- (i) G R Infraprojects Limited ("the Settlor" or "GR Infra") was incorporated on 22<sup>nd</sup> December 1995 under the Companies Act, 1956. The equity shares of GR Infra are listed on the National Stock Exchange of India Limited and BSE Limited since 19<sup>th</sup> July 2021.
- (ii) GR Infra is engaged in integrated road engineering, procurement and construction with an experience of over 25 years in design and construction of various road / highway projects across 16 states in India.

### 1.4. The Investment Manager

- (i) GR Highways Investment Manager Private Limited ("GHIMPL" or "the Investment Manager") has been appointed as the Investment Manager to the Trust by the Trustee and is responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.
- (ii) Shareholding of the Investment Manager as on 31<sup>st</sup> March 2025 is as under:

Sr. No.	Particulars	No. of shares	%
1	Lokesh Builders Private Limited	19,999,990	100.00%
2	Purshottam Agarwal	10	Negligible
<b>Total</b>		<b>20,000,000</b>	<b>100.00%</b>

Source: Investment Manager

### 1.5. Financial Assets to be Valued

The financial assets under consideration are valued at Enterprise Value and Adjusted Enterprise Value of the following:

Sr. No.	Name of the SPV
1	GR Phagwara Expressway Limited ("GPEL")
2	Porbandar Dwarka Expressway Private Limited ("PDEPL")
3	GR Gundugolanu Devarapalli Highway Private Limited ("GDHPL")
4	GR Akkalkot Solapur Highway Private Limited ("GASHPL")
5	Varanasi Sangam Expressway Private Limited ("VSEPL")
6	GR Sangli Solapur Highway Private Limited ("GSSHPL")
7	GR Dwarka Devariya Highway Private Limited ("GDDHPL")
8	GR Aligarh Kanpur Highway Private Limited ("GAKHPL")
9	GR Galgalia Bahadurganj Highways Private Limited ("GGBHPL")

(Together referred to as "the SPVs")

### 1.6. Purpose of Valuation

- (i) In this regard, the Investment Manager has appointed me, S. Sundaraman ("Registered Valuer" or "RV" or "I" or "My" or "Me") bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake fair valuation of the SPVs at the enterprise level as per the extant provisions of the SEBI InvIT Regulations issued by SEBI. Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.
- (ii) Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the Valuation Date.
- (iii) I declare that:
  - a) I am competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
  - b) I am not an associate of the Sponsor(s) or Investment Manager or Trustee and I have not less than five years of experience in valuation of infrastructure assets;
  - c) I am independent and have prepared the Report on a fair and unbiased basis;
  - d) I have valued the SPVs based on the valuation standards as specified / applicable as per SEBI InvIT Regulations.

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

### 1.7. Scope of Valuation

#### (i) **Nature of the Asset to be Valued**

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

#### (ii) **Valuation Base**

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

##### **Fair Value**

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

#### (iii) **Valuation Date**

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

The Valuation Date considered for the fair enterprise valuation of the SPVs is 31<sup>st</sup> March 2025 ("**Valuation Date**"). The attached Report is drawn up by reference to accounting and financial information as on 31<sup>st</sup> March 2025. The RV is not aware of any other events having occurred since 31<sup>st</sup> March 2025 till date of this Report ("**Report Date**") which he deems to be significant for his valuation analysis, except for any events disclosed by the Investment Manager during the valuation exercise.

#### (iv) **Premise of Value**

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

#### (v) **Going Concern Value**

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc.

## 1.8. Summary of Valuation

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

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

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

The discount rate considered for the respective SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital (“**WACC**”) for each of the SPVs. As all the SPVs under considerations have executed projects under the HAM model, the operating rights of the underlying assets shall be transferred back to the appointing authority after the expiry of the concession period. At the end of the agreed concession period, the operating rights in relation to the roads and the obligation to maintain the road revert to the government entity that granted the concession by the SPVs. Accordingly, terminal period value i.e. value on account of cash flows to be generated after the expiry of concession period has not been considered.

Based on the methodology and assumptions discussed further, RV has arrived at the fair enterprise value of the SPVs as on the Valuation Date:

Sr. No.	SPV's	WACC	Enterprise Value*	INR Mn
				Adjusted Enterprise Value**
1	GPEL	7.10%	4,423	5,415
2	PDEPL	7.10%	7,691	7,799
3	GDHPL	7.10%	8,880	9,756
4	GASHPL	7.10%	3,992	4,520
5	VSEPL	7.10%	12,062	13,263
6	GSSHPL	7.10%	5,083	5,311
7	GDDHPL	7.10%	5,406	6,206
8	GAKHPL	7.10%	10,221	11,096
9	GGBHPL	7.10%	6,941	6,997
<b>Total</b>			<b>64,698</b>	<b>70,362</b>

\* Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

\*\* Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the Valuation Date. (Refer Appendix 1 & 2 for the detailed workings)

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

Further to above, considering that present valuation exercise is based on the future financial performance and based on opinions on the future credit risk, cost of debt assumptions, etc., which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and variations may be material. Accordingly, a quantitative sensitivity analysis is considered on the following unobservable inputs:

- WACC by increasing / decreasing it by 1.0%
- WACC by increasing / decreasing it by 0.5%
- Total Expenses by increasing / decreasing it by 10%
- Total Expenses by increasing / decreasing it by 20%

## 1. Fair Enterprise Valuation Range based on

### a. WACC parameter (1.0%)

		INR Mn					
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	4,260	7.10%	4,423	6.10%	4,596
2	PDEPL	8.10%	7,390	7.10%	7,691	6.10%	8,012
3	GDHPL	8.10%	8,511	7.10%	8,880	6.10%	9,277
4	GASHPL	8.10%	3,818	7.10%	3,992	6.10%	4,178
5	VSEPL	8.10%	11,564	7.10%	12,062	6.10%	12,597
6	GSSHPL	8.10%	4,868	7.10%	5,083	6.10%	5,316
7	GDDHPL	8.10%	5,137	7.10%	5,406	6.10%	5,697
8	GAKHPL	8.10%	9,754	7.10%	10,221	6.10%	10,727
9	GGBHPL	8.10%	6,634	7.10%	6,941	6.10%	7,274
Total			61,937		64,698		67,674

### b. WACC parameter (0.5%)

		INR Mn					
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	4,340	7.10%	4,423	6.60%	4,508
2	PDEPL	7.60%	7,538	7.10%	7,691	6.60%	7,849
3	GDHPL	7.60%	8,692	7.10%	8,880	6.60%	9,075
4	GASHPL	7.60%	3,903	7.10%	3,992	6.60%	4,083
5	VSEPL	7.60%	11,809	7.10%	12,062	6.60%	12,325
6	GSSHPL	7.60%	4,974	7.10%	5,083	6.60%	5,197
7	GDDHPL	7.60%	5,269	7.10%	5,406	6.60%	5,548
8	GAKHPL	7.60%	9,983	7.10%	10,221	6.60%	10,469
9	GGBHPL	7.60%	6,784	7.10%	6,941	6.60%	7,104
Total			63,292		64,698		66,158

### c. Expenses parameter (10%)

		INR Mn		
Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	4,313	4,423	4,533
2	PDEPL	7,606	7,691	7,775
3	GDHPL	8,751	8,880	9,008
4	GASHPL	3,933	3,992	4,050
5	VSEPL	11,915	12,062	12,209
6	GSSHPL	5,023	5,083	5,144
7	GDDHPL	5,332	5,406	5,479
8	GAKHPL	10,056	10,221	10,386
9	GGBHPL	6,828	6,941	7,054
Total		63,758	64,698	65,637

d. Expenses parameter (20%)

INR Mn

Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	4,203	4,423	4,643
2	PDEPL	7,522	7,691	7,859
3	GDHPL	8,623	8,880	9,136
4	GASHPL	3,875	3,992	4,108
5	VSEPL	11,767	12,062	12,357
6	GSSHPL	4,963	5,083	5,204
7	GDDHPL	5,259	5,406	5,552
8	GAKHPL	9,892	10,221	10,550
9	GGBHPL	6,715	6,941	7,167
<b>Total</b>		<b>62,819</b>	<b>64,698</b>	<b>66,577</b>

## 2. Adjusted Enterprise Valuation Range based on

### a. WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	5,252	7.10%	5,415	6.10%	5,589
2	PDEPL	8.10%	7,498	7.10%	7,799	6.10%	8,120
3	GDHPL	8.10%	9,387	7.10%	9,756	6.10%	10,153
4	GASHPL	8.10%	4,346	7.10%	4,520	6.10%	4,706
5	VSEPL	8.10%	12,765	7.10%	13,263	6.10%	13,799
6	GSSHPL	8.10%	5,096	7.10%	5,311	6.10%	5,543
7	GDDHPL	8.10%	5,937	7.10%	6,206	6.10%	6,497
8	GAKHPL	8.10%	10,629	7.10%	11,096	6.10%	11,602
9	GGBHPL	8.10%	6,690	7.10%	6,997	6.10%	7,330
Total			67,601		70,362		73,339

### b. WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	5,333	7.10%	5,415	6.60%	5,501
2	PDEPL	7.60%	7,646	7.10%	7,799	6.60%	7,957
3	GDHPL	7.60%	9,568	7.10%	9,756	6.60%	9,951
4	GASHPL	7.60%	4,431	7.10%	4,520	6.60%	4,611
5	VSEPL	7.60%	13,010	7.10%	13,263	6.60%	13,526
6	GSSHPL	7.60%	5,201	7.10%	5,311	6.60%	5,425
7	GDDHPL	7.60%	6,069	7.10%	6,206	6.60%	6,349
8	GAKHPL	7.60%	10,858	7.10%	11,096	6.60%	11,344
9	GGBHPL	7.60%	6,840	7.10%	6,997	6.60%	7,160
Total			68,956		70,362		71,822

### c. Expense parameter (10%)

INR Mn				
Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	5,305	5,415	5,525
2	PDEPL	7,714	7,799	7,883
3	GDHPL	9,627	9,756	9,884
4	GASHPL	4,461	4,520	4,578
5	VSEPL	13,116	13,263	13,411
6	GSSHPL	5,251	5,311	5,371
7	GDDHPL	6,133	6,206	6,279
8	GAKHPL	10,931	11,096	11,261
9	GGBHPL	6,883	6,997	7,110
Total		69,423	70,362	71,302



d. Expense parameter (20%)

Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	5,196	5,415	5,635
2	PDEPL	7,630	7,799	7,967
3	GDHPL	9,499	9,756	10,012
4	GASHPL	4,403	4,520	4,637
5	VSEPL	12,969	13,263	13,558
6	GSSHPL	5,191	5,311	5,431
7	GDDHPL	6,060	6,206	6,352
8	GAKHPL	10,767	11,096	11,425
9	GGBHPL	6,770	6,997	7,223
Total		68,483	70,362	72,241

3. 100% Equity Valuation Range based on

a. WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	776	7.10%	939	6.10%	1,112
2	PDEPL	8.10%	1,423	7.10%	1,723	6.10%	2,045
3	GDHPL	8.10%	1,515	7.10%	1,884	6.10%	2,281
4	GASHPL	8.10%	914	7.10%	1,087	6.10%	1,273
5	VSEPL	8.10%	2,878	7.10%	3,376	6.10%	3,911
6	GSSHPL	8.10%	1,039	7.10%	1,254	6.10%	1,486
7	GDDHPL	8.10%	866	7.10%	1,135	6.10%	1,426
8	GAKHPL	8.10%	1,205	7.10%	1,672	6.10%	2,178
9	GGBHPL	8.10%	954	7.10%	1,261	6.10%	1,594
Total			11,570		14,331		17,307

b. WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	856	7.10%	939	6.60%	1,024
2	PDEPL	7.60%	1,571	7.10%	1,723	6.60%	1,882
3	GDHPL	7.60%	1,696	7.10%	1,884	6.60%	2,079
4	GASHPL	7.60%	999	7.10%	1,087	6.60%	1,178
5	VSEPL	7.60%	3,122	7.10%	3,376	6.60%	3,639
6	GSSHPL	7.60%	1,144	7.10%	1,254	6.60%	1,368
7	GDDHPL	7.60%	998	7.10%	1,135	6.60%	1,278
8	GAKHPL	7.60%	1,434	7.10%	1,672	6.60%	1,920
9	GGBHPL	7.60%	1,104	7.10%	1,261	6.60%	1,424
Total			12,925		14,331		15,791

**c. Expense parameter (10%)**

Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	829	939	1,049
2	PDEPL	1,639	1,723	1,808
3	GDHPL	1,756	1,884	2,012
4	GASHPL	1,028	1,087	1,145
5	VSEPL	3,229	3,376	3,523
6	GSSHPL	1,194	1,254	1,314
7	GDDHPL	1,062	1,135	1,208
8	GAKHPL	1,508	1,672	1,837
9	GGBHPL	1,148	1,261	1,374
<b>Total</b>		<b>13,391</b>	<b>70,362</b>	<b>15,270</b>

**d. Expense parameter (20%)**

Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	719	939	1,159
2	PDEPL	1,555	1,723	1,892
3	GDHPL	1,627	1,884	2,140
4	GASHPL	970	1,087	1,204
5	VSEPL	3,081	3,376	3,670
6	GSSHPL	1,134	1,254	1,374
7	GDDHPL	989	1,135	1,281
8	GAKHPL	1,343	1,672	2,002
9	GGBHPL	1,034	1,261	1,487
<b>Total</b>		<b>12,452</b>	<b>14,331</b>	<b>16,210</b>

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## 2. Procedures adopted for current valuation exercise

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2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Source of infos 2018 (“**IVS**”) issued by the Institute of Chartered Accountants of India.

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

- (i) Requested and received financial and qualitative information relating to the SPVs;
- (ii) Obtained and analyzed data available in public domain, as considered relevant by me;
- (iii) Discussions with the Investment Manager on:
  - Understanding of the business of the SPVs – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
- (iv) Undertook industry analysis:
  - Research publicly available market data including economic factors and industry trends that may impact the valuation;
  - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;
- (v) Analysis of other publicly available information;
- (vi) Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;
- (vii) Conducted physical site visit of the road stretch of the SPVs;
- (viii) Determination of fair value of the EV of the SPVs on a going concern basis till the end of the concession period as at the Valuation Date and determination of fair value of the Adjusted EV of the SPVs on a going concern basis till the end of the concession period as at the Valuation Date on request of the Investment Manager.

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### 3. Overview of InvIT and SPVs

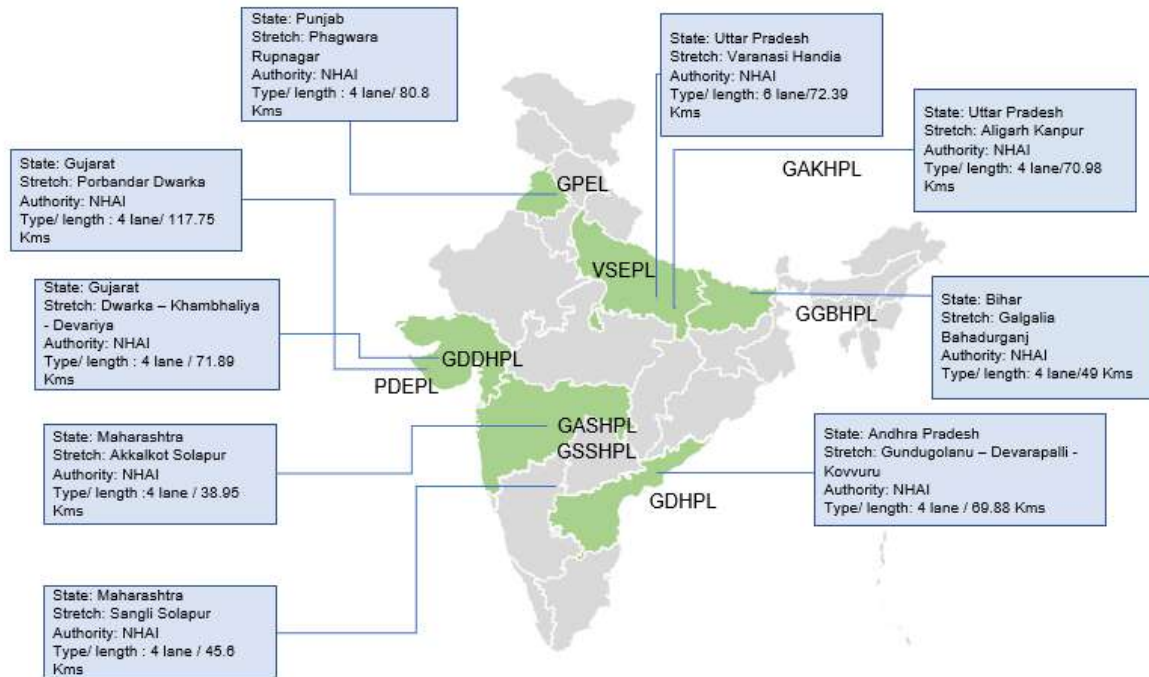
#### 3.1. InvIT / Indus Infra InvIT ("Trust")

- 3.1.1. Indus Infra Trust ("Indus InvIT" or "the Trust") erstwhile Bharat Highways InvIT, was established on 16<sup>th</sup> June 2022 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The Trust is registered as an Indian infrastructure investment trust with the Securities and Exchange Board of India ("SEBI") with effect from 3<sup>rd</sup> August 2022, bearing registration number IN/InvIT/22-23/0023, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI InvIT Regulations"). Pursuant to change in name from Bharat Highways InvIT to Indus Infra Trust the Trust was issued a revised registration certificate by SEBI with effect from 13<sup>th</sup> December 2024, bearing registration number IN/InvIT/22-23/0023.
- 3.1.2. IDBI Trusteeship Services Limited has been appointed as the Trustee of Indus Infra InvIT. GR Highways Investment Manager Private Limited has been appointed as the Investment Manager to the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations.
- 3.1.3. The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 12<sup>th</sup> March 2024.
- 3.1.4. Following is the table of the Trust as on the Report date displaying the amount of debt outstanding in the SPVs provided by the Trust:

INR Mn					
Sr. No.	SPV	Name	Equity Stake Acquired	Acquisition Cost of Trust's Equity Stake	Outstanding Debt from the Trust to the SPV
1	GPEL	GR Phagwara Expressway Limited	100%	1,232*	4,476
2	PDEPL	Porbandar Dwarka Expressway Private Limited	100%	2,437*	6,075
3	GDHPL	GR Gundugolanu Devarapalli Highway Private Limited	100%	2,075*	7,872
4	GASHPL	GR Akkalkot Solapur Highway Private Limited	100%	1,260*	3,433
5	VSEPL	Varanasi Sangam Expressway Private Limited	100%	4,044*	9,888
6	GSSHPL	GR Sangli Solapur Highway Private Limited	100%	1,507*	4,057
7	GDDHPL	GR Dwarka Devariya Highway Private Limited	100%	1,199*	5,071
8	GAKHPL	GR Aligarh Kanpur Highway Private Limited	100%	986	9,424
9	GGBHPL	GR Galgalia Bahadurganj Highways Private Limited	100%	464	1,795

\* Purchase price considered basis the number of units allotted to G R Infraprojects during the IPO of InvIT for 100% equity stake

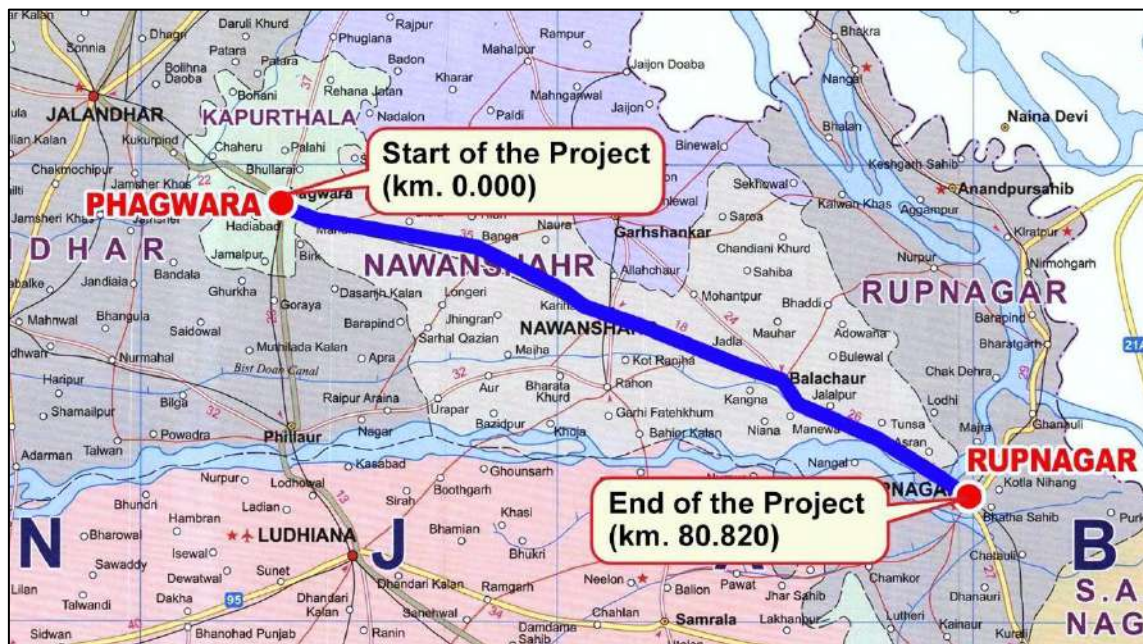
3.1.5. Following is a map of India showing the area covered by the SPVs of the Trust:



### 3.2. Background of the SPVs

#### i. GR Phagwara Expressway Limited (“GPEL”)

- GPEL was incorporated on 21<sup>st</sup> September 2016 as a public limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GPEL is located at GR House, Hiran Magri, Sector – 11, Udaipur, Rajasthan 313 002, India.
- GPEL was incorporated to identify, formulate, aid, promote, finance, establish, build, construct, erect, equip, operate, maintain, control, upgrade, regulate, modify, takeover, and / or to undertake development of four laning of Phagwara to Rupnagar section of NH-344A from km. 0.00 (design chainage) to km. 80.820 (design chainage).
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project which starts from km. 0.000 at Phagwara Town and terminates at km. 80.820 at Rupnagar Town. The design length of the project highway is 80.820 kms. The project stretch is the important link connecting important cities in Punjab State such as Amritsar, Jalandhar and Chandigarh. The project involved development of existing 2 lane carriageway to 4 lane divided carriageway with 1.5 m wide paved shoulder and 2.0 m earthen shoulder on either side.
- GPEL has received final completion certificate on 26<sup>th</sup> May 2021 by completing all the works as mentioned in the technical schedules of concession agreement and the same is purchased from GR Infra.
- The project highway passes through the Districts of Nawanshahr and Kapurthala. The project highway passes through the built-up areas of towns and villages enroute. Important towns along the alignment are Mehli, Bahar Majara, Jasso Majara, Behram, Malha Sodhian, Dhahan, Banga, Kahma, Nawanshahr, Langroya, Garhi Kanuguan, and Bachhwan.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of GPEL are as follows:

Parameters	Details
Total Length	323.3 Lane Kms
Nos. of Lanes	4
NH / SH	NH 344A
State Covered	Punjab
Area (Start and End)	Phagwara - Rupnagar
Bid Project Cost	INR 13,670 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	25 <sup>th</sup> February 2020
COD Date	26 <sup>th</sup> May 2021
Nos. of Annuities	30
Construction Period	910 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor starts from 0.00 Km to 80.820 Km connecting Phagwara – Rupnagar on NH 344A.

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	80.82 Km
2	Total length of Service Roads	70.037 Km
3	Widening	71.573 Km
4	New Alignment including bypass	11.247 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	2 Nos.
7	Flexible Pavement for Main carriageway	69.56 Km
8	Rigid Pavement for Main carriageway	11.26 Km
9	Total length of Slip Roads	0 Km
10	Toll Plaza	2 Nos.
11	Bus Bays / Bus Shelters	43 Nos.
12	Truck Lay Bays	2 Nos.
13	No of Rest Areas	2 Nos.
14	Major Junction	7 Nos.
15	Minor Junctions	102 Nos.
16	No of Vehicular underpasses	3 Nos.
17	Vehicle overpass	0 Nos.
18	No of Subways	0 Nos.
19	Elevated Structure	1 Nos.
20	No of Flyovers	4 Nos.
21	Pedestrian/Cattle Underpass	1 Nos.
22	ROB	1 Nos.
23	Major Bridges	1 Nos.
24	Minor Bridges for Main Carriageway	22 Nos.
25	Box/Slab Culverts	51 Nos.
26	Pipe Culverts	41 Nos.

Source: Investment Manager



- The shareholding of GPEL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	2,02,99,940	100%
2	SUNIL CHHIKARA*	10	0%
3	MOHNISH DUTTA*	10	0%
4	AMIT KUMAR SINGH*	10	0%
5	RAMESH CHANDRA JAIN*	10	0%
6	G SAINATH*	10	0%
7	HARSHAEL PRATAP SAWANT*	10	0%
<b>Total</b>		<b>2,03,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

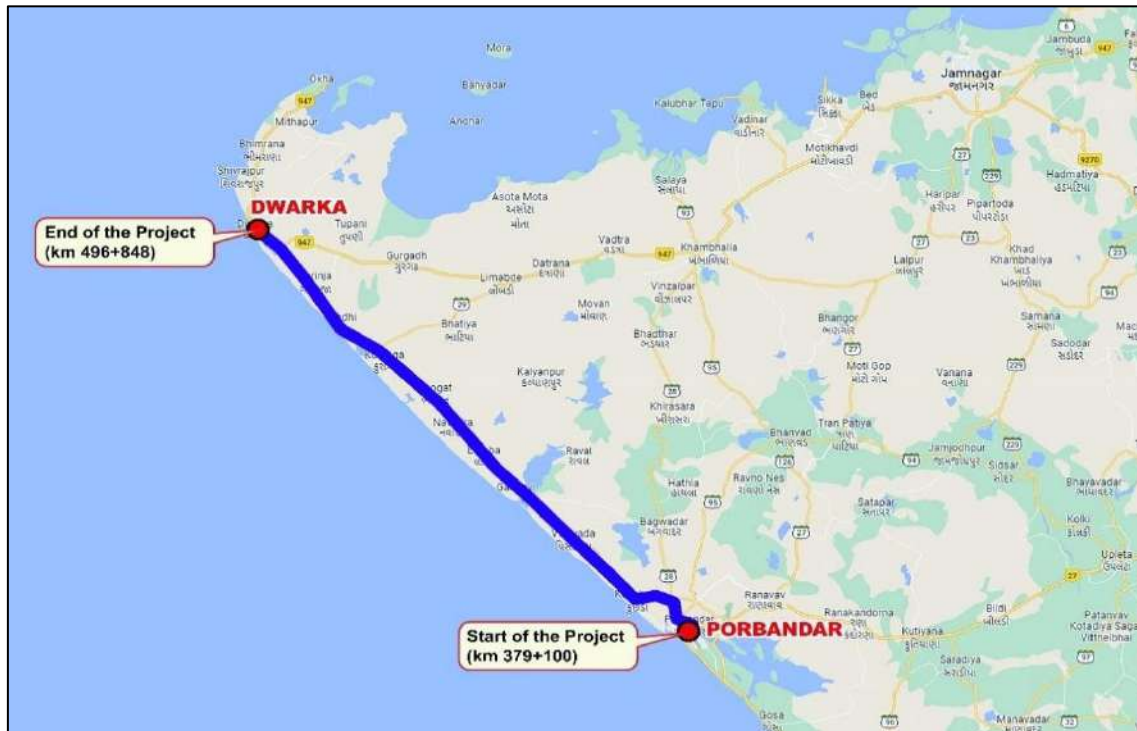
- My team had conducted physical site visit of the road stretch of GPEL on 2<sup>nd</sup> May, 2025. Refer below for the pictures of the road stretch:





ii. **Porbandar Dwarka Expressway Private Limited (“PDEPL”)**

- PDEPL was incorporated on 9<sup>th</sup> June 2017 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of PDEPL is located at GR House, Hiran Magri, Sector No. 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project, with paved shoulder of Porbandar - Dwarka section of NH-8E (Ext.) from km 356.766 (design chainage km. 379.100) to km 473.000 (Design Chainage km 496.848) through public-private partnership.
- The project highway is a section of National Highway Number 08E, NH-08E in the State of Gujarat which starts from km. 379+100 near Porbandar Bypass and ends at km. 496+848 in Dev Bhumi Dwarka. Existing length of the project highway was 116.234 kms whereas design length measures to be 117.748 kms.
- PDEPL has received final completion certificate on 13th October 2021 and the same is purchased from GR Infra.
- The project highway passes through the built-up areas of towns and villages enroute. Important towns along the alignment are Visawada, Miyami, Bhavpuru, Jodhpur etc.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of PDEPL are as follows:

Parameters	Details
Total Length	471.0 Lane Kms
Nos. of Lanes	4
NH / SH	NH 08E
State Covered	Gujarat
Area (Start and End)	Porbandar – Dwarka
Bid Project Cost	INR 16,000 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	18 <sup>th</sup> April 2020
COD Date	13 <sup>th</sup> October 2021
Nos. of Annuities	30
Construction Period	1,095 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from KM 379+100 to Km 496+848 of NH-08E connecting Porbandar and Dwarka.

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	117.748 Km
2	Total length of Service Roads	11.676 Km
3	Widening	0 Km
4	New Alignment including bypass	23.3 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	2 Nos.
7	Flexible Pavement for Main carriageway	2.998 Km
8	Rigid Pavement for Main carriageway	114.750 Km
9	Total length of Slip Roads	4.95 Km
10	Toll Plaza	2 Nos.
11	Bus Bays / Bus Shelters	4 Nos.
12	Truck Lay Bays	0 Nos.
13	No of Rest Areas	0 Nos.
14	Major Junction	5 Nos.
15	Minor Junctions	42 Nos.
16	Vehicular underpasses	8 Nos.
17	Light Vehicular underpasses	1 Nos.
18	Vehicle overpass	0 Nos.
19	No of Subways	0 Nos.
20	No of Flyovers	2 Nos.
21	Pedestrian/Cattle Underpass	6 Nos.
22	ROB	1 Nos.
23	Major Bridges	11 Nos.
24	Minor Bridges	34 Nos.
25	Box/Slab Culverts	31 Nos.
26	Pipe Culverts	196 Nos.

Source: Investment Manager

- The shareholding of PDEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	4,19,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
	<b>Total</b>	<b>4,20,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

Source: Investment Manager

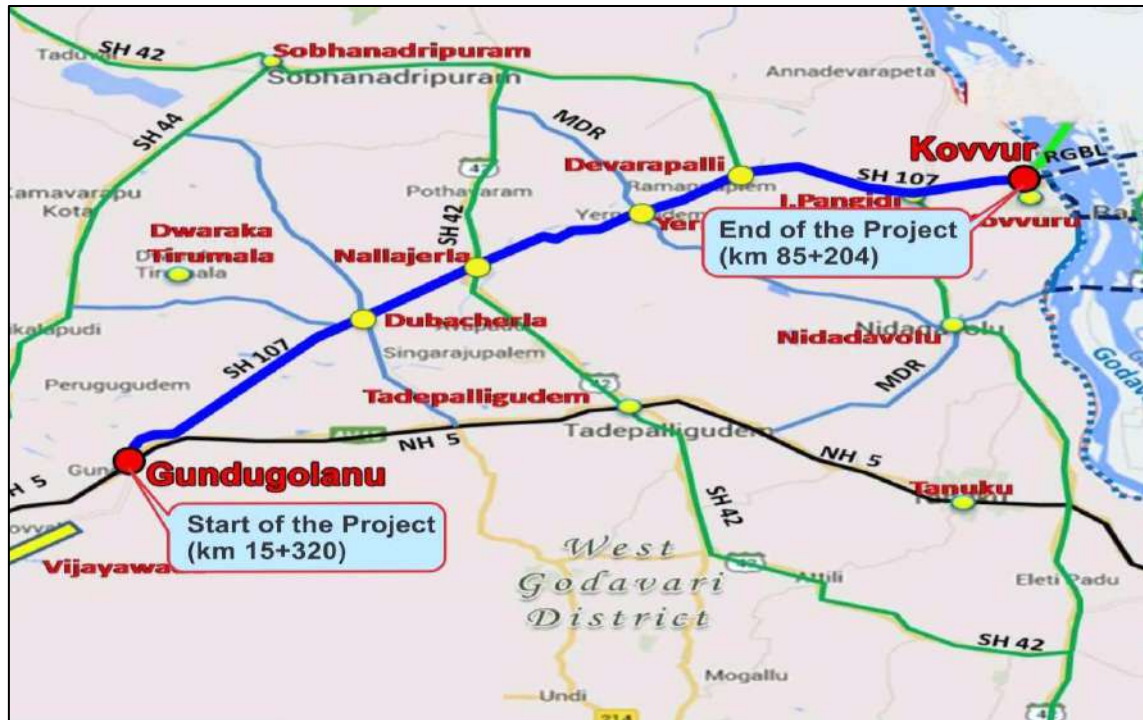
- My team had conducted physical site visit of the road stretch of PDEPL on 26<sup>th</sup> April 2025. Refer below for the pictures of the road stretch:



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iii. **GR Gundugolanu Devarapalli Highway Private Limited (“GDHPL”)**

- GDHPL was incorporated on 28<sup>th</sup> March 2018 as a private limited company under the Companies Act, 2012 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GDHPL is located at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of the Gundugolanu – Devarapalli – Kovvuru section of NH-16 from Km. 15.320 (existing Km. 15.700) to Km. 85.204 (existing Km. 81.400) in the state of Andhra Pradesh under Bharatmala Pariyojana.
- GDHPL has received completion certificate (COD certificate) on 30<sup>th</sup> September 2022 and the same is purchased from GR Infra.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of GDHPL are as follows:

Parameters	Details
Total Length	279.5 Lane Kms
Nos. of Lanes	4
NH / SH	NH 16
State Covered	Andhra Pradesh
Area (Start and End)	Gundugolanu – Kovvuru
Bid Project Cost	INR 18,270 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	10 <sup>th</sup> July 2021
COD	30 <sup>th</sup> September 2022
Nos. of Annuities	30
Construction Period	910 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from KM 15.70 to KM 81.40 (Approx. 69.88 Kms) from Gundugolanu to Kovvur in NH-16

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	69.884 Km
2	Total length of Service Roads	54.308 Km
3	Widening	0 Km
4	New Alignment including bypass	46.644 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	6 Nos.
7	Flexible Pavement for Main carriageway	69.884 Km
8	Total length of Slip Roads	47.87 Km
9	Toll Plaza	1 Nos.
10	Bus Bays / Bus Shelters	56 Nos.
11	Truck Lay Bays	2 Nos.
12	No of Rest Areas	4 Nos.
13	Interchange	1 Nos.
14	Major Junction	11 Nos.
15	Minor Junctions	10 Nos.
16	Vehicular underpasses	2 Nos.
17	Light Vehicular underpasses	11 Nos.
18	Vehicle overpass	1 Nos.
19	No of Subways	0 Nos.
20	No of Flyovers	16 Nos.
21	Pedestrian/Cattle Underpass	5 Nos.
22	ROB	1 Nos.
23	Major Bridges	9 Nos.
24	Minor Bridges	22 Nos.
25	Box/Slab Culverts	122 Nos.
26	Pipe Culverts	28 Nos.

Source: Investment Manager

- The shareholding of GDHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	4,94,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
	<b>Total</b>	<b>4,95,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

Source: Investment Manager

- My team had conducted physical site visit of the road stretch of GDHPL on 22<sup>nd</sup> April 2025. Refer below for the pictures of the road stretch:





iv. **GR Akkalkot Solapur Highway Private Limited (“GASHPL”)**

- GASHPL was incorporated on 26<sup>th</sup> April 2018 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GASHPL is located at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of Akkalkot – Solapur section of NH - 150E with paved shoulders from design chainage km. 99.400 to km. 138.352 / existing chainage from km. 102.819 to km. 141.800 (design length 38.952 km.) including Akkalkot bypass (design length 7.350 km.).
- The project highway is part of National Highway No. 150E of Barshi - Gulbarga section in the state of Maharashtra and Karnataka. The total project length is 38.952 kms which starts from km. 99.400 near Akkalkot Bypass and ends at km. 138.352 in Solapur City.
- GASHPL has received Provisional Completion Certificate (PCOD certificate) on 31<sup>st</sup> March 2021.
- GASHPL has received Completion Certificate (COD certificate) on 9<sup>th</sup> March 2023 and the same is purchased from GR Infra.
- The project highway passes through the built-up areas of towns and villages Karjal, Walsung, Chincholi, Rajanpur, Togarhalli, Akkalkot and Kumbhari.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of GASHPL are as follow

Parameters	Details
Total Length	155.8 Lane Kms
Nos. of Lanes	4
NH / SH	NH 150E
State Covered	Maharashtra
Area (Start and End)	Akkalkot – Solapur
Bid Project Cost	INR 8,070 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	31 <sup>st</sup> March 2021
COD Date	9 <sup>th</sup> March 2023
Nos. of Annuities	30
Construction Period	730 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from KM 99.40 to 138.35 (Approx. 38.95 Kms) near Akkalkot to Solapur City in NH-150E

Sr. No.	Salient Features	For SPV
1	Total Length of the Project Highway	38.952 Km
2	Total length of Service Roads	16.16 Km
3	Widening	0 Km
4	New Alignment including bypass	7.126 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	1 Nos.
7	Rigid Pavement for Main carriageway	38.952 Km
8	Total length of Slip Roads	8.82 Km
9	Toll Plaza	1 Nos.
10	Bus Bays / Bus Shelters	6 Nos.
11	Truck Lay Bays	0 Nos.
12	No of Rest Areas	1 Nos.
13	Major Junction	3 Nos.
14	Minor Junctions	22 Nos.
15	No of Vehicular underpasses	6 Nos.
16	Vehicle overpass	0 Nos.
17	No of Subways	0 Nos.
18	No of Flyovers	7 Nos.
19	Pedestrian/Cattle Underpass	1 Nos.
20	ROB	0 Nos.
21	Major Bridges	2 Nos.
22	Minor Bridges	20 Nos.
23	Box/Slab Culverts	26 Nos.
24	Pipe Culverts	21 Nos.

Source: Investment Manager

- The shareholding of GASHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	1,25,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
<b>Total</b>		<b>1,26,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

Source: Investment Manager

- My team had conducted physical site visit of the road stretch of GASHPL on 4<sup>th</sup> May 2025. Refer below for the pictures of the road stretch:



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**v. Varanasi Sangam Expressway Private Limited (“VSEPL”)**

- VSEPL was incorporated on 17<sup>th</sup> April 2017 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of VSEPL is located at GR House, Hiran Magri, Sector No. 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 6-lane project of Handia to Varanasi section of NH-2 from km 713.146 to km 785.544 in the state of Uttar Pradesh under NHDP phase-V.
- The project stretch is linking Delhi and Kolkata, traverses through 6 States namely Delhi, Haryana, Uttar Pradesh, Bihar, Jharkhand and West Bengal and connects a number of major urban cities on its way like Delhi, Agra, Kanpur, Allahabad, Varanasi, Dhanbad, Durgapur & Howrah. The project road from Khokhraj approximately 42 kms from Allahabad towards Kanpur to Varanasi i.e., Allahabad bypass to Varanasi.
- VSEPL has received Provisional Completion Certificate (PCOD certificate) on 2<sup>nd</sup> November 2020.
- VSEPL has received Completion Certificate (COD certificate) on 19<sup>th</sup> January 2022 and the same is purchased from GR Infra.
- The project highway passes through the built-up areas of towns and villages enroute. Important towns along the alignment are Rajatalab, Aurai, Gopigunj and Handia.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of VSEPL are as follows:

Parameters	Details
Total Length	434.39 Lane Kms
Nos. of Lanes	6
NH / SH	NH 2
State Covered	Uttar Pradesh
Area (Start and End)	Handia – Varanasi
Bid Project Cost	INR 24,369 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	2 <sup>nd</sup> November 2020
COD Date	19 <sup>th</sup> January 2022
Nos. of Annuities	30
Construction Period	910 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from KM 713.21 to 785.70 from Haldia to Varanasi in NH-2.

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	72.644 Km
2	Total length of Service Roads	78.535 Km
3	Widening	0 Km
4	New Alignment including bypass	0 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	0 Nos.
7	Flexible Pavement for Main carriageway	19.383 Km
8	Rigid Pavement for Main carriageway	53.015 Km
9	Total length of Slip Roads	65.44 Km
10	Toll Plaza	2 Nos.
11	Bus Bays / Bus Shelters	36 Nos.
12	Truck Lay Bays	4 Nos.
13	No of Rest Areas	4 Nos.
14	Major Junction	4 Nos.
15	Minor Junctions	167 Nos.
16	No of Vehicular underpasses	11 Nos.
17	Vehicle overpass	0 Nos.
18	No of Subways	0 Nos.
19	Elevated Structure	5 Nos.
20	No of Flyovers	3 Nos.
21	Pedestrian/Cattle Underpass	12 Nos.
22	Foot Over Bridge	2 Nos.
23	ROB	0 Nos.
24	Major Bridges	0 Nos.
25	Minor Bridges	3 Nos.
26	Box/Slab Culverts	34 Nos.
27	Pipe Culverts	15 Nos.

Source: Investment Manager

- The shareholding of VSEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	3,88,89,990	100%
2	AMIT KUMAR SINGH*	10	0%
<b>Total</b>		<b>3,88,90,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

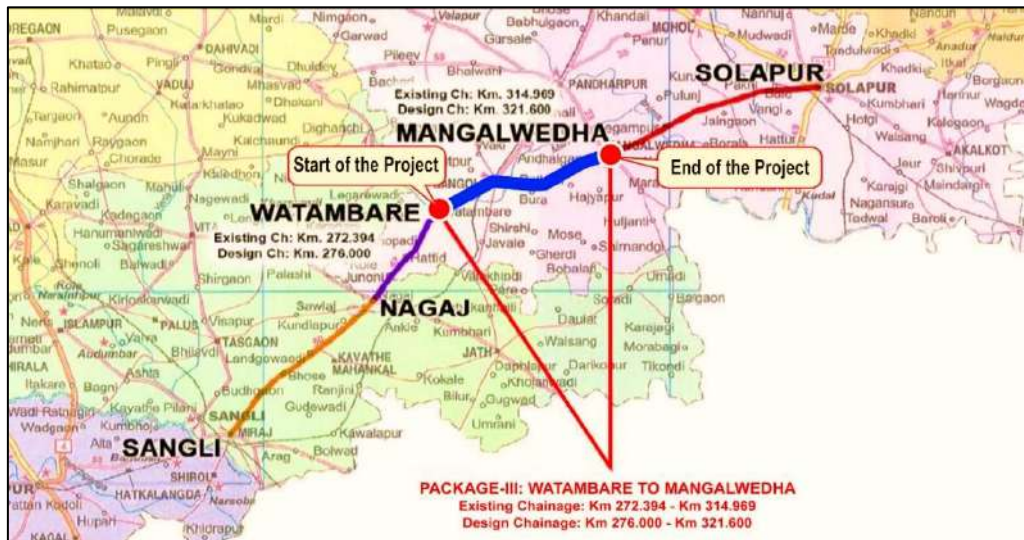
Source: Investment Manager

- My team had conducted physical site visit of the road stretch of VSEPL on 26<sup>th</sup> April, 2025. Refer below for the pictures of the road stretch:



vi. **GR Sangli Solapur Highways Private Limited (“GSSHPL”)**

- GSSHPL was incorporated on 26<sup>th</sup> April 2018 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GSSHPL is located at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of Sangli – Solapur (Package- III: Watambare to Mangalwedha) Section of NH-166 from existing Ch. Km 272.394 to Ch. km 314.969 (Design Ch. km. 276.000 to Ch. km. 321.600).
- GSSHPL has received Provisional Completion Certificate (PCOD certificate) on 28<sup>th</sup> June 2021 and has received Completion Certificate (COD certificate) on 01<sup>st</sup> March 2023, the same is purchased from GR Infra.
- The project highway (Package-III) starts at Watambare at km. 276.00 and ends at Mangalwedha at km. 321.600. This entire package lies in Solapur District.
- The project highway passes through the built-up sections of Watambare, Yalgarmangewadi, Kamlapur, Godsewadi, Vasud, Sangola, Wadegaon, Rajapur, Landevenchinchole, Lakshmidahiwadi, Andhalgaon, Ganeshwadi and Mangalwedha.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of GSSHPL are as follows:

Parameters	Details
Total Length	182.4 Lane Kms
Nos. of Lanes	4
NH / SH	NH 166
State Covered	Maharashtra
Area (Start and End)	Watambare – Mangalwedha
Bid Project Cost	INR 9,570 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	28 <sup>th</sup> June 2021
COD Date	01 <sup>st</sup> March 2023
Nos. of Annuities	30
Construction Period	730 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from Km 276.00 and ends at Km 321.60 in NH-116 connecting Watambare and Mangalwedha.

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	45.60 Km
2	Total length of Service Roads	28.51 Km
3	Widening	29.04 Km
4	New Alignment including bypass	16.56 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	1 Nos.
7	Rigid Pavement for Main carriageway	45.60 Km
8	Total length of Slip Roads	8.022 Km
9	Toll Plaza	0 Nos.
10	Bus Bays / Bus Shelters	34 Nos.
11	Truck Lay Bays	0 Nos.
12	No of Rest Areas	1 Nos.
13	Major Junction	1 Nos.
14	Minor Junctions	39 Nos.
15	Vehicular underpasses	6 Nos.
16	Light Vehicular underpasses	13 Nos.
17	Vehicle overpass	0 Nos.
18	No of Subways	0 Nos.
19	No of Flyovers	0 Nos.
20	Pedestrian/Cattle Underpass	0 Nos.
21	ROB	1 Nos.
22	Major Bridges	2 Nos.
23	Minor Bridges for Main Carriageway	11 Nos.
24	Box/Slab Culverts	6 Nos.
25	Pipe Culverts	64 Nos.

Source: Investment Manager

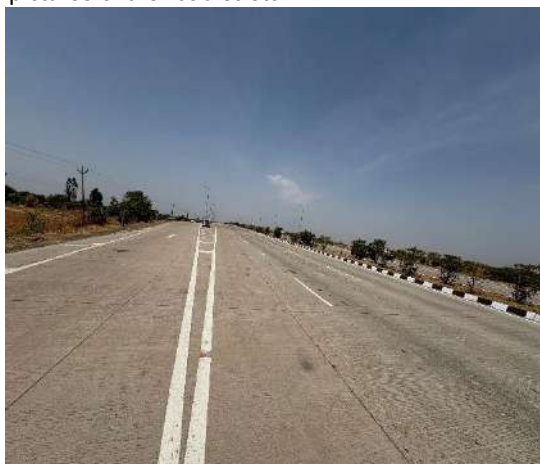
- The shareholding of GSSHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	1,49,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
	<b>Total</b>	<b>1,50,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust

Source: Investment Manager

- My team had conducted physical site visit of the road stretch of GSSHPL on 4<sup>th</sup> May 2025. Refer below for the pictures of the road stretch:





vii. **GR Dwarka Devariya Highway Private Limited (“GDDHPL”)**

- GDDHPL was incorporated on 26<sup>th</sup> March 2019 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GDDHPL is located at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of Dwarka (Kuranga) – Khambhaliya – Devariya section of NH 151A in the state of Gujarat under Bharatmala Project.
- The project corridor road is a section of National Highway Number 151A (Old NH-08E), NH-151A in section of NH 151A from km 203.500 to km 176.500 and from km 171.800 to km 125.000 (designed length 71.890 km) in the state of Gujarat.
- GDDHPL has received Provisional Completion Certificate (PCOD certificate) on 2<sup>nd</sup> August 2022 and the same is purchased from GR Infra.
- The project highway passes through the built-up areas of towns and villages enroute. Important towns along the alignment are Bhatia, Kuvadva, Bamnsa, Dhandusar, Vadinar and Devariya etc.
- The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- Summary of project details of GDDHPL are as follows:

Parameters	Details
Total Length	287.56 Lane Kms
Nos. of Lanes	4
NH / SH	NH 151A
State Covered	Gujarat
Area (Start and End)	Dwarka – Khambhaliya - Devariya
Bid Project Cost	INR 11,010 Mn
Model	PPP
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	2 <sup>nd</sup> August 2022
Nos. of Annuities	30
Construction Period	912 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

- The corridor forms a part of existing road from Km 0+00 near Kuranga village and ends at Km 76+270 in Jakhar Patia in NH-151A in the state of Gujarat.

Sr. No.	Salient Features	As per Site
1	Total Length of the Project Highway	71.890 Km
2	Total length of Service Roads	18.18 Km
3	Widening	0 Km
4	New Alignment including bypass	0 Km
5	Approaches to underpasses	0 Km
6	No of Bypass Roads	0 Nos.
7	Rigid Pavement for Main carriageway	71.890 Km
8	Total length of Slip Roads	0 Km
9	Toll Plaza	1 Nos.
10	Bus Bays / Bus Shelters	50 Nos.
11	Truck Lay Bays	1 Nos.
12	No of Rest Areas	1 Nos.
13	Major Junction	0 Nos.
14	Minor Junctions	55 Nos.
15	No of Vehicular underpasses	5 Nos.
16	Vehicle overpass	0 Nos.
17	No of Subways	0 Nos.
18	No of Flyovers	0 Nos.
19	Pedestrian/Cattle Underpass	0 Nos.
20	ROB	1 Nos.
21	Major Bridges	4 Nos.
22	Minor Bridges	20 Nos.
23	Box/Slab Culverts	32 Nos.
24	Pipe Culverts	92 Nos.

Source: Investment Manager

- The shareholding of GDDHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	94,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
	<b>Total</b>	<b>95,00,000</b>	<b>100%</b>

\*Nominee of the Indus Infra Trust

Source: Investment Manager

- My team had conducted physical site visit of the road stretch of GDDHPL on 26<sup>th</sup> April 2025. Refer below for the pictures of the road stretch.



**viii. GR Aligarh Kanpur Highway Private Limited ('GAKHPL')**

- GAKHPL was incorporated on 24th April 2020 as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation issued by the Registrar of Companies, Central Registration Centre. The registered office of GAKHPL is located at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan 313 002, India.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of Aligarh Kanpur Section from km 289.00 to km 356.000 (Package IV from Naviganj - Mitrasen) of NH-91 in the state of Uttar Pradesh on Hybrid annuity mode under Bharatmala Pariyojana.
- The Project Road is a section of NH-91. The Project Road starts at Naviganj at km. 302+108 and ends at Mitrasen at km. 373+085. The Project Road passes through the built-up sections of Prempur, Chhibramau, Khurhawa, Hasanpur, Karmallapur, Sarai Daulat, Sarai Prayag, Fatehpur Jasoda, Kannauj, Bahadurpur, Manimau, Dedaura Baju, Tikhawa and Mitrasen. The design length of the Project Road is 70.977 kms.
- GAKHPL has received Provisional Completion Certificate (PCOD certificate) on February 24, 2023 and it has received Completion Certificate (COD certificate) on 09<sup>th</sup> August 2024, and the same is purchased from GR Infra.
- The map below illustrates the location of the Project and the corridor it covers:



- Summary of project details of GAKHPL are as follows:

Parameters	Details
Lane Length	347.296 Km
Nos. of Lanes	4
NH	NH-91
State Covered	Uttar Pradesh
Area (Start and End)	Naviganj-Mitrasen
Bid Project Cost (post Descoping)	18,021 Mn
PPP Model	Hybrid Annuity Mode
Project Type	Hybrid Annuity Mode
Concession Granted by	NHAI
PCOD Date	24 <sup>th</sup> February 2023
COD Date	9 <sup>th</sup> August 2024
Appointed Date	18 <sup>th</sup> February 2021
Nos. of Annuities	30
Construction Period	910 days
Operational Period	15 years

Source: Investment Manager



- The Project Road is a section of NH-91. The Project Road starts at Naviganj at km. 302+108 and ends at Mitrasen at km. 373+085.

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	70.977 Km
2	Total length of Service Roads	60.103 Km
3	Length of RCC drain	49.418 Km
4	No. of Flyover	-
5	Toll Plaza	01 no.
6	Bus Bays / Bus Shelters	06 nos.
7	Truck Lay Bays	02 nos.
8	No of Rest Areas	02 nos.
9	Major Junction	03 nos.
10	Minor Junctions	35 nos.
11	No of Vehicular underpasses	32 nos
12	No of Pedestrian underpasses	1 no.
13	Minor Bridges	18 nos.
14	Box/Slab Culverts	147 nos.
15	Pipe Culverts	53 nos.

Source: Investment Manager

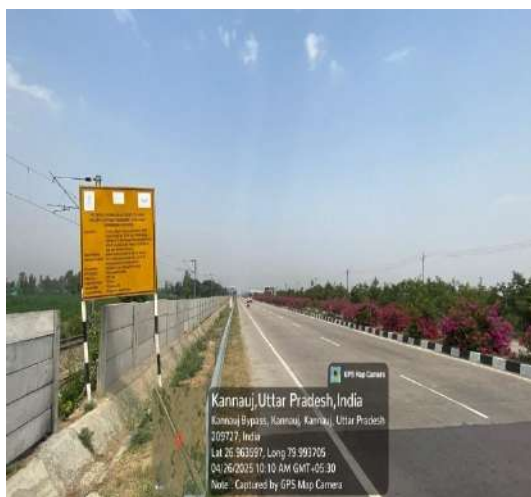
- The shareholding of GAKHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	INDUS INFRA TRUST	6,29,99,990	100%
2	AMIT KUMAR SINGH*	10	0%
	<b>Total</b>	<b>6,30,00,000</b>	<b>100%</b>

\*Nominee of the Indus Infra Trust

Source: Investment Manager

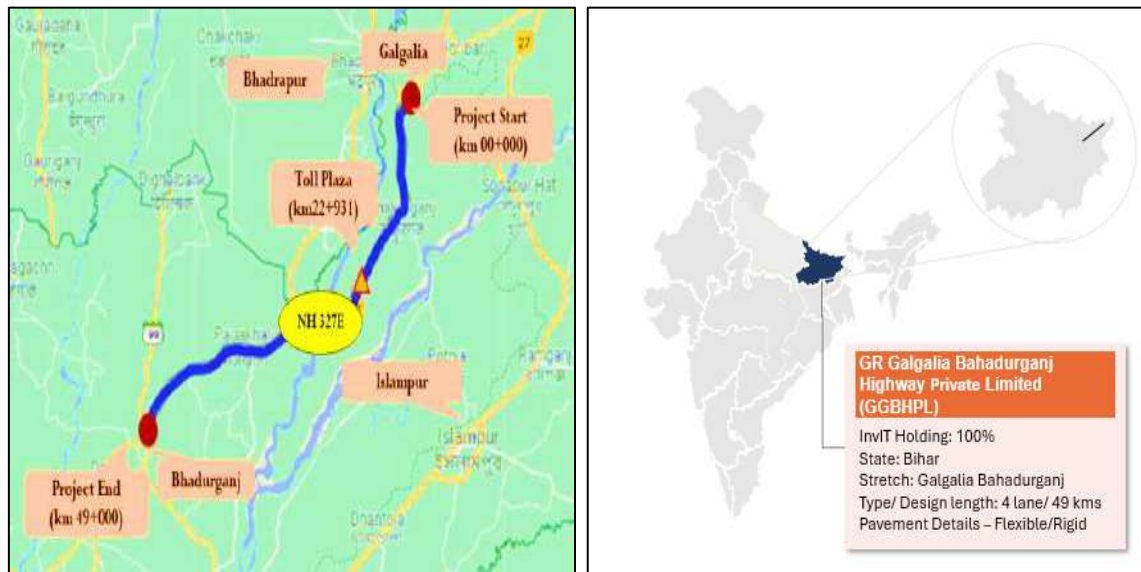
- My team had conducted physical site visit for GAKHPL on 26<sup>th</sup> April ,2025 .Following are the pictures of the plant site:



ix. **GR Galgalia Bahadurganj Highway Private Limited (“GGBHPL”)**

- GR Galgalia Bahadurganj Highway Private Limited (“the company”) having its registered office at GR House, Hiran Magri, Udaipur, Rajasthan, 313002 was incorporated in Udaipur, Rajasthan, India on March 11, 2021 as a Private limited company under Companies Act, 2013 as a subsidiary of G R Infraprojects Limited.
- The existing use of the SPV involves the operation and maintenance of Hybrid Annuity Model (HAM), 4-lane project of Galgalia Bahadurganj section of NH327E from Km 0.00 to Km 49.00 (Package I) in the state of Bihar on Hybrid Annuity Model, and the same is purchased from GR Infra.

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



- Summary of Project details of GGBHPL are as follows:

Parameters	Details
Total Length	49 km
Nos. of Lanes	4
NH / SH	NH-327 E
State Covered	Bihar
Area (Start and End)	Galgalia to Bahadurganj
Bid Project Cost (Post Descoping)	INR 10,377 Mn
PPP Model	HAM
Project Type	HAM
PCOD Date	6 <sup>th</sup> April, 2024
COD Date	Under Progress
Concession Period (CP)	15 years from commencement date
Number of Balance Annuities	29
Balance Completion Cost	INR 7371 Mn
Operational Period	15 years
Construction period	817 days

Source: Investment Manager

- The salient features of the project are as follows:

Sr. No.	Salient Features	Units	Value
1	Total Length of Main Carriageway with Flexible Pavement	Lane Km	30.21*
2	Total Length of Main Carriageway with Rigid Pavement	Lane Km	67.79
3	Total length of Service Roads	Km	27.40
4	Toll Plaza	Nos	1
5	Bus Bays with Shelters	Nos	40
6	Truck Lay Bays	Nos	2
7	No of Rest Areas	Nos	1
8	Major Junction	Nos	1
9	Minor Junctions	Nos	30
10	No of Small Vehicular underpasses	Nos	3
11	No of Light Vehicular underpasses	Nos	6
12	No of Flyovers	Nos	Nil
13	Pedestrian/Cattle Underpass	Nos	Nil
14	Railway Over Bridge	Nos	Nil
15	Major Bridges	Nos	12
16	Minor Bridges	Nos	9
17	Box/Slab Culverts	Nos	47
18	Pipe Culverts	Nos	Nil

\* Including 2.7 km work done by other agency and 3.12 km of structure length  
Source: Investment Manager

- The shareholding of GGBHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	The InviT	89,99,990	100%
2	Amit Kumar Singh*	10	0%
	<b>Total</b>	<b>90,00,000</b>	<b>100%</b>

\*Nominee of Indus Infra Trust  
Source: Investment Manager

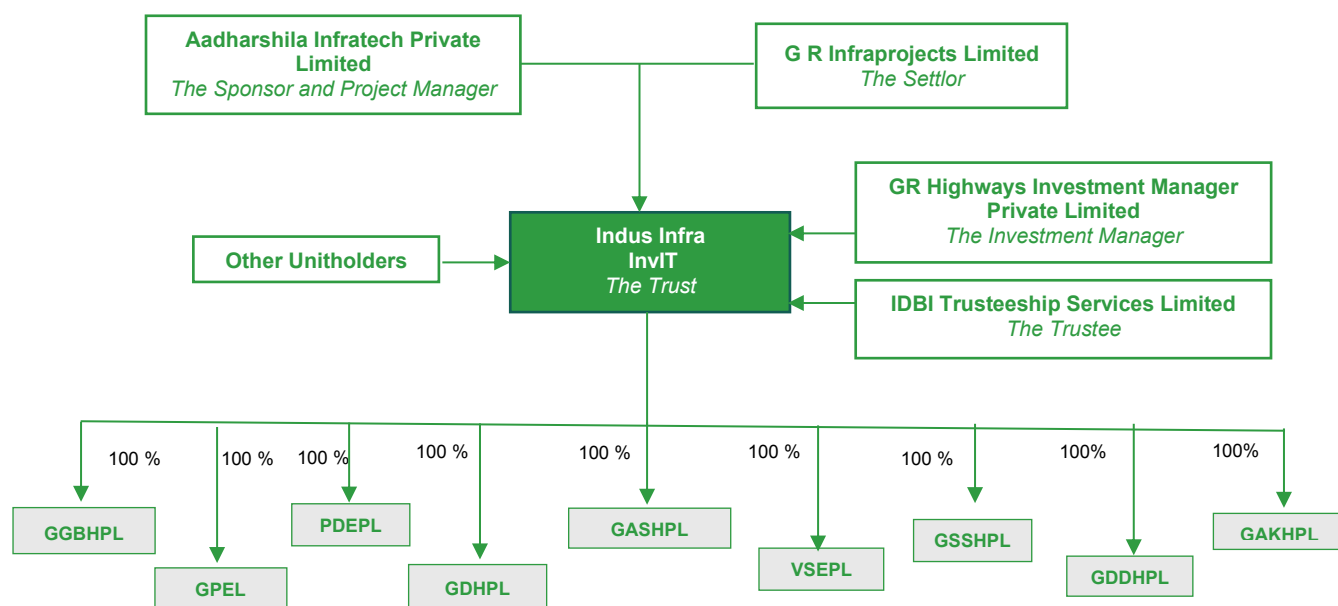
I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

- My team had conducted physical site visit for GGBHPL on 1<sup>st</sup> March, 2025. Following are the pictures of the plant site:



## 4. Structure of the Trust

4.1. Following is the structure of Indus Infra InvIT:



Source: Investment Manager

4.2. Disclosure of the fact whether the transaction is a related party or not:

Sr. No.	SPV	Seller	Date of Transfer	Trust Holding (as on Report Date)	Whether a Related party of Trust at Acquisition date
1	GPEL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
2	PDEPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
3	GDHPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
4	GASHPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
5	VSEPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
6	GSSHPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
7	GDDHPL	GR Infra	1 <sup>st</sup> Mar 24	100.0%	Yes
8	GAKHPL	GR Infra	17 <sup>th</sup> Sept 24	100.0%	Yes
9	GGBHPL	GR Infra	28 <sup>th</sup> Mar 25	100.0%	Yes

Source: Investment Manager

# 5. Overview of the Industry

## 5.1. Introduction of Indian Infrastructure Industry

As India strives towards becoming a 50 trillion-dollar economy, the transport sector plays a crucial role. In the 2025-26 Budget, the capital expenditure allocation is set at Rs 11.21 lakh crore.

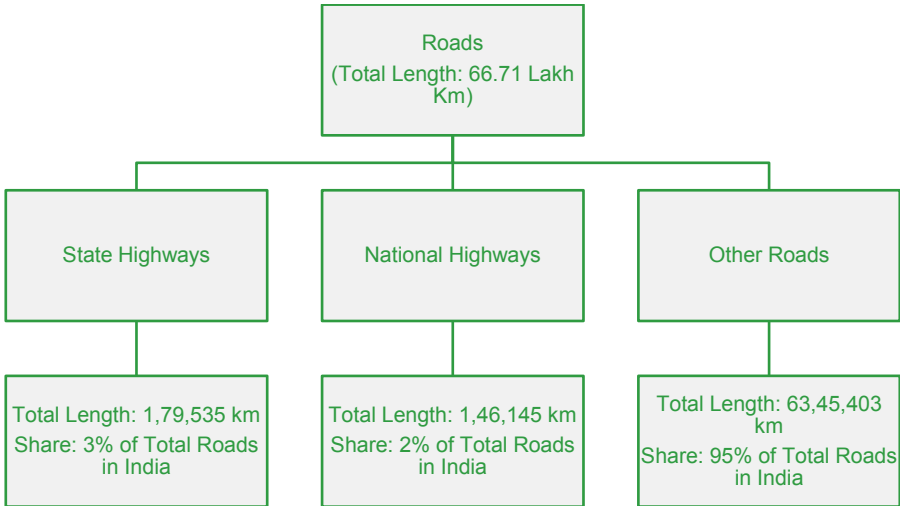
Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner Infrastructure related ministries to come up with 3-year pipeline of projects that can be implemented in public private partnership mode.

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

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

## 5.2. Road Network in India

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

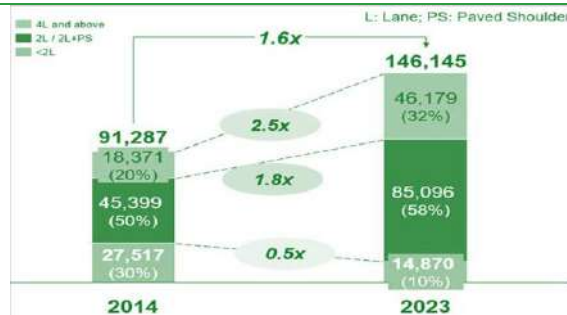


Source: MoRTH, Government of India

- 5.2.2. NHs constitute around 2 per cent of the total road network in the country but carry about 40% of the road traffic. The density of India's highway network at 1.89 km of roads per square kilometer of land – is similar to that of the France (1.98) and much greater than China's (0.49) or USA's (0.68).
- 5.2.3. National Highway (NH) network increased by ~60% from 91,287 km in 2014 to 1,46,145 km in year 2024.

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

Year	Construction (per year)	Project Awarded (in km)	Construction (in km/day)
2015-16	6061	6397	16.6
2016-17	8231	4335	22.6
2017-18	9829	7400	26.9
2018-19	10855	6000	29.7
2019-20	10237	8948	28.1
2020-21	13327	10467	36.5
2021-22	10457	12731	28.6
2022-23	10331	7497	28.3
2023-24	~12,300	~2,500	34.0



Source: MoRTH, Government of India

### 5.3. Government Agencies for Road Development

- 5.3.1. The Ministry of Road Transport & Highway ("MoRTH") is responsible for development of Road Transport and Highways in general and construction & maintenance of National Highways.
- 5.3.2. The National Highways Authority of India ("NHAI") is an autonomous agency of the Government of India, set up in 1988 and is responsible for implementation of National Highways Development Project ("NHDP").
- 5.3.3. The NHDP in the context of NHs is nearing completion- in seven phases. Later, the other highway development programmes like Special Accelerated Road Development Programme for Development of Road Network in North Eastern States (SARDP- NE) and National Highways Interconnectivity Improvement Project (NHIIP) were also taken up by MoRTH. Further, Bharatmala Pariyojana is ongoing. For majority of the projects under NHDP and Bharatmala Pariyojana, NHAI is the implementation agency. Other NH related programmes/works are being implemented through agencies like National Highways Infrastructure Development Corporation Limited (NHIDCL), State Public Works Departments (PWDs), State Road Development Corporations and the Border Road Organization.
- 5.3.4. The National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.
- 5.3.5. National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.



- 5.3.6. A total of 261 road projects under different Schemes of MoRTH with a total sanctioned cost of Rs. 1,02,594 crore (US\$ 12.33 billion) are under implementation through the National Highways Authority of India (NHAI), National Highways & Infrastructure Development Corporation Ltd. (NHIDCL), and State Public Works Departments (PWDs) in the North-Eastern States. The Ministry of Development of the North-Eastern Region, under the erstwhile North-East Road Sector Development Scheme (NERSDS) and the present North-East Special Infrastructure Development Scheme (NESIDS), has sanctioned a total of 77 road projects amounting to Rs. 3,372.58 crore (US\$ 405.5 million).
- 5.3.7. The Government of India has been consistently revising the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivizing timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.
- 5.3.8. Roads in the jurisdiction of state governments are under different categories like State Highways ("SHs") and Major District Roads. They are being developed/ upgraded through State PWDs and State Road Development Corporations. Pradhan Mantri Gramm Sadak Yojana is being implemented for rural roads through the Ministry of Rural Affairs with active participation by state governments. Further, roads within urban areas are maintained/ developed mostly with PWDs and Urban Local Bodies.
- 5.3.9. State Governments have a significant role to play in developing the SHs, Major District Roads, Other District Roads to ensure the last mile connectivity. States have varying levels of maturity in terms of road infrastructure development due to issues such as inadequate identification and prioritization of projects, funding shortfall, limited institutional capacity to implement projects, etc.

#### **5.4. Trend of Road and Highways Construction**

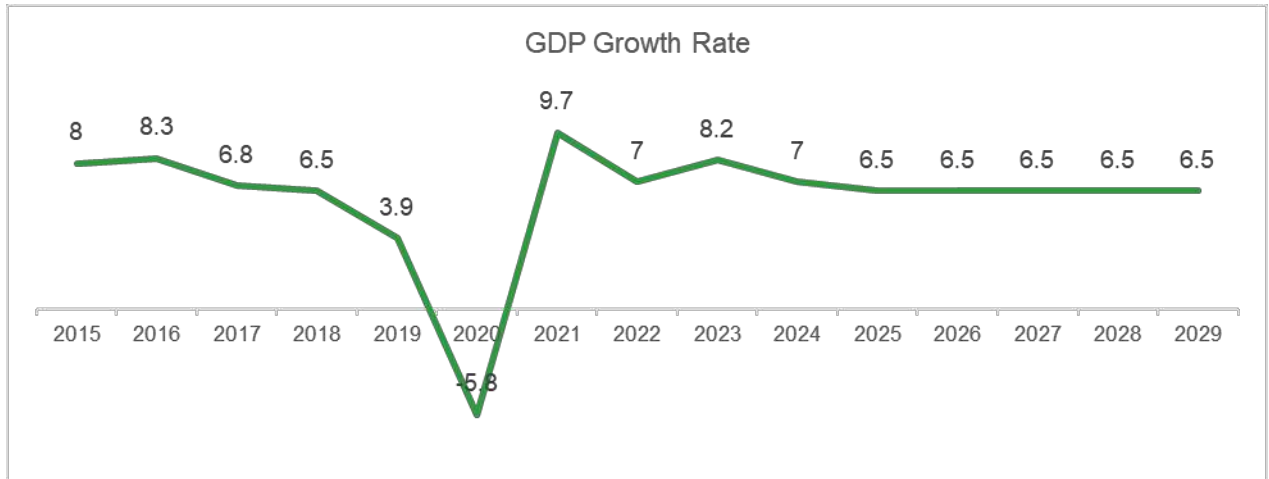
- 5.4.1. The current rate of road construction is almost three times that in 2007-08.
- 5.4.2. The launch of the Bharatmala Pariyojana in 2017 provided a big fillip to construction activity, with the pace of construction doubling from 12 km per day in 2014-15 to 30 km per day in 2022-23, and peaking at 37 km per day in 2020-21.
- 5.4.3. Under Phase-I of Bharatmala Pariyojana, the Ministry has approved the implementation of 34,800 km of national highways in 5 years with an outlay of Rs. 5,35,000 crore (US\$ 76.55 billion). Under this scheme, 22 greenfield projects (8,000 km length) are being constructed; this is worth Rs. 3.26 lakh crore (US\$ 43.94 billion).
- 5.4.4. The government aims to take this up to 100 km per day in the next few years.
- 5.4.5. National Highway (NH) network increased by 60% from 91,287 km in 2014 to 1,46,145 km in year 2023
- 5.4.6. Length of 4 lanes and above NH increased by 2.5 times – 18,387 km (2014) to 46,179 km (Nov'23)
- 5.4.7. Length of less than 2 lane NH decreased from 30% (2014) to 10% (Nov'23)
- 5.4.8. Average pace of NH construction increased by 143% to 28.3 km/day from 2014
- 5.4.9. Expenditure is expected to increase by 9.4 times from 2014
- 5.4.10. Out of 108 (3700 km) port connectivity road projects, 8 (294 km) are completed, 28 (1808 km) are awarded and DPR under-progress for 72 (1595 km) projects
- 5.4.11. With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. Cumulative FDI inflows in construction development stood at US\$ 33.91 billion between April 2000-March 2024.
- 5.4.12. The GST on construction equipment has been reduced to 18% from 28%, which is expected to give a boost to infrastructure development in the country.
- 5.4.13. The NHDP is a program to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was started in 1998 to be implemented in 7 phases.
- 5.4.14. With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.
- 5.4.15. The Indian government launched Gati Shakti-National Master Plan, which has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres).

- 5.4.16. The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.
- 5.4.17. The development of market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country.

5.4.18. **Economic and Financial Outlook**

- **GDP Growth**

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

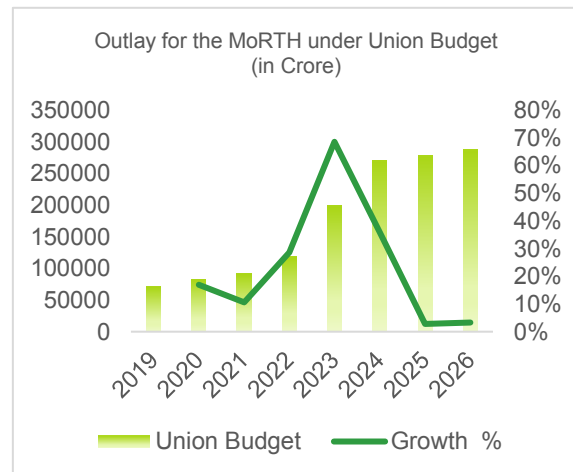


- **Government Spending**

The Ministry of Road and Transport have been allocated ₹2.87 lakh crore under Budget 2025-26 which accounts to 5.7% of the total expenditure. This is an increase of 2.4% compared to the revised estimate for FY25.

Nearly 60% of the total allocation is set aside for the National Highways Authority of India (NHAI) at ₹1.7 lakh crore.

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



- **Financial and Capital Structure**

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

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



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

## 5.5. Implementation of important projects and expressways:

### 5.5.1. Bharatmala Pariyojna

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

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

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

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

Component	Length (Km)	Cost (INR Mn)
Economic corridors development	9,000	1,2,00,000
Inter-corridor & feeder roads	6,000	8,00,000
National Corridors Efficiency	5,000	10,00,000
Border & International connectivity	2,000	2,50,000
Coastal & port connectivity roads	2,000	2,00,000
Expressways	800	4,00,000
<b>Sub Total</b>	<b>24,800</b>	<b>38,50,000</b>
Other works - under NHDP	10,000	15,00,000
<b>Total</b>	<b>34,800</b>	<b>53,50,000</b>

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

### 5.5.2. Char Dham Vikas Mahamarg Pariyojna:

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

### 5.5.3. Eastern peripheral and western peripheral expressway

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

### 5.5.4. NH-544G Bengaluru–Vijayawada Economic Corridor

In February 2023, Mr. Nitin Gadkari has approved the development of 32 km long 6-lane Access Controlled Greenfield Highway on NH-544G Bengaluru–Vijayawada Economic Corridor in Hybrid Annuity Mode in Andhra Pradesh worth US\$ 157 million (Rs. 1,292.65 crores).

### 5.5.5. Setu Bharatam:

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

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

- a. Prime Minister Mr. Narendra Modi dedicated a six-lane greenfield motorway part of the Amritsar-Jamnagar Economic Corridor and the first phase of the Inter-State Transmission Line for Green Energy Corridor.
- b. 1,100 km of National Highway works in the State of Kerala at an investment of INR 65,000 Crores including 600 km section of Mumbai Kanyakumari corridor in Kerala.
- c. 675 km of highway works in the state of West Bengal at a cost of INR 25,000 Crores including upgradation of existing road-Kolkata –Siliguri.
- d. In the Union Budget of 2025-26, the Government of India allocated Rs. ~2.87 lakh crore (US\$ 33.07 Billion) to the Ministry of Road Transport and Highways.
- e. In the Union Budget 2025-26, the government proposed to increase allocation for capital expenditure to Rs. 11.21 lakh crore (US\$ 129.0 billion), up 10.1% from revised budget estimate of Rs. 10.18 lakh crore (US\$ 117.2 billion) in FY25.
- f. In FY25 (up to December), the Ministry of Road Transport and National Highways awarded a total length of 3,100 kms.
- g. A total of 600+ sites are planned to be awarded by 2024-25 of which 144 Wayside Amenities (WSAs) have already been awarded.

#### 5.6. Opportunities in road development & maintenance in India

- a. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies
- b. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 53.5 lakh Mn (US\$ 741.51 billion).
- c. The government also aims to construct 23 new national highways by 2025.
- d. Road building in India is second least expensive in Asia.
- e. Andhra Pradesh will spend US\$ 296.05 million to build 8,970 kms of roads.

#### 5.7. Asset Monetisation

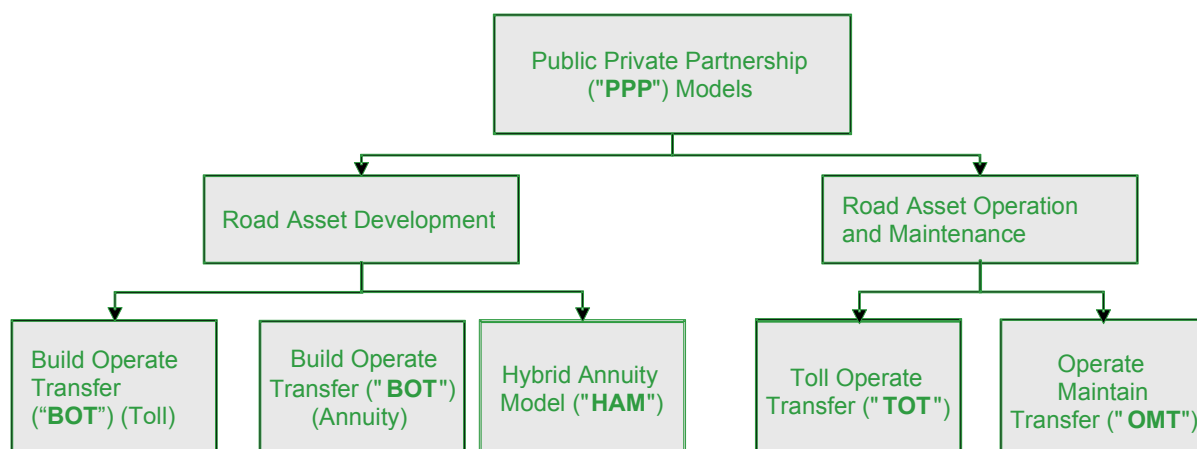
- 5.7.1. **TOT Model** – Under this model, the right of collection of user fee (toll) in respect of selected operational highways constructed through public funding are assigned through a concession agreement as a result of bidding for a specified period of 15-30 years to the Concessionaire against upfront payment of a lump-sum amount quoted to the Government/NHAI. During the concession period, the responsibility for operations and maintenance of the road assets rests with the Concessionaire.
- 5.7.2. **InvIT Model** – NHAI has set up an InvIT under the SEBI InvIT Regulations, 2014 which is a pooled investment vehicle that issues units to investors, while having three entities for management of the Trust – Trustee, Investment Manager and Project Manager. The three entities have defined roles and responsibilities under the SEBI Regulations.
- 5.7.3. **Securitization through SPV Model** – A SPV/DME (100% owned by NHAI), has been created by bundling road assets under consideration and securitizing the future user fee from the road assets. NHAI will collect tolls, maintain the road assets and periodically transfer payments to the SPV sufficient for servicing debt obligations at the SPV level. About Rs.3,70,000 Mn has already been raised through this method (DME- Delhi Mumbai Expressway) by NHAI so far.

## 5.8. Utility Corridors

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

## 5.9. Public Private Partnership ("PPP") Models of road development and maintenance in India

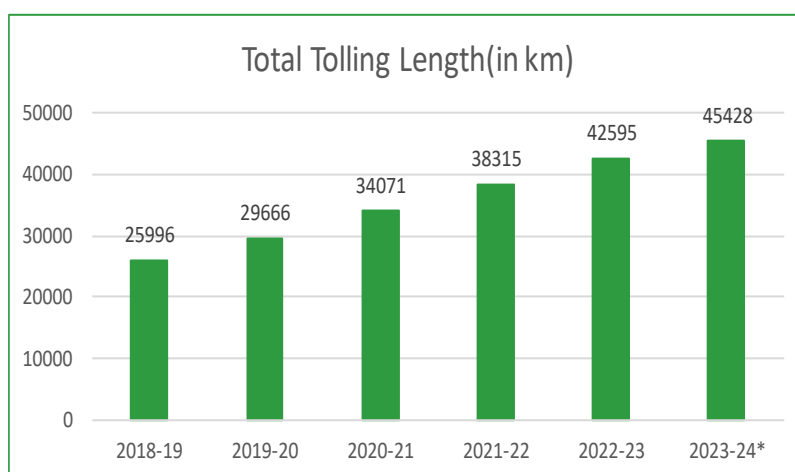
5.9.1. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. PPP has been a major contributor to the success story of the roads and highway sector in India. With the emergence of private players over the last decade, the road construction market has become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



## 5.10. Road Asset Development Models

### • BOT Toll

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



- **BOT Annuity**

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

- **HAM**

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

### 5.11. Major Events of 2023 and 2024

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

### 5.12. Growth Drivers

#### 5.12.1. Robust Demand :

Growing domestic trade flows have led to rise in commercial vehicles and freight movement; supported by rise in production of commercial vehicles to 752,022 in FY20 which commands stronger road network in India. Higher individual discretionary spending has led to increased spending on two and four wheelers. Domestic sales of passenger vehicles, three-wheelers and two-wheelers, reached 3,069,499, 260,995, and 13,466,412 units, respectively, in FY22. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over 1951–2019.

#### 5.12.2. Increasing Investment :

Huge investment have been made in the sector with total investment increasing more than three times from 2014-15 to 2018- 19. Plans are in place to raise up to INR 45,00,000 Mn through monetization, of which INR3,00,000 Mn will be raised through ToT mode and INR1,50,000 Mn through InvITs. NHA will bid out nearly 75% of new highway projects on PPP. Projects worth over INR 5000 Mn will preferably be executed through PPP mode.

#### 5.12.3. Policy Support :

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

### 5.13. **Challenges & Issues in the Sector**

#### 5.13.1. Land Acquisition Delays & Cost :

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

#### 5.13.2. Regulatory Approvals & Disputes :

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

#### 5.13.3. Operational Issues :

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

#### 5.13.4. Financing road construction projects :

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

#### 5.13.5. Climate Change :

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

5.13.6. Economy and cost effectiveness :

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

**5.14. Recent Initiatives by Government**

5.14.1. Bhoomi Rashi – Land Acquisition Portal

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

5.14.2. Central Road and Infrastructure Fund (CRIF)

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

5.14.3. National Investment Fund (NIF)

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

5.14.4. Investment in roads and other infrastructure

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

5.14.5. FASTag – Electronic Toll Collection

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

5.14.6. Revival of languishing projects

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

5.14.7. Rural development

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

#### 5.14.8. Improve safety standards

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

#### 5.14.9. Portfolios in roads & highways sector

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

#### 5.14.10. International Tie-ups

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

#### 5.14.11. Encourage private funding to reduce finance constraints

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

### 5.15. **Outlook**

- 5.15.1. Development and maintenance of road infrastructure is a key Government priority, the sector has received strong budgetary support over the years. During the past years, the standardized processes for Public Private Partnership & public funded projects and a clear policy framework relating to bidding and tolling have also been developed.
- 5.15.2. The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development.
- 5.15.3. The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector.
- 5.15.4. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector.
- 5.15.5. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY25. The roads sector is likely to account for 18% capital expenditure over FY25.

*Sources: IBEF Roads Report, February 2025; ICRA reports, website of Ministry of Road Transport and Highways, Government of India*



## 6. Valuation Methodology and Approach

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- 6.1. The present valuation exercise is being undertaken in order to derive the fair EV of the SPVs.
- 6.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 6.3. There are three generally accepted approaches to valuation:
- (a) "Cost" approach
  - (b) "Market" approach
  - (c) "Income" approach

### 6.4. Cost Approach

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

#### Net Asset Value ("NAV") Method

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

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

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

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

### 6.5. Market Approach

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

#### Comparable Companies Multiples ("CCM") Method

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

#### Comparable Transactions Multiples ("CTM") Method

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

#### Market Price Method

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



## 6.6. Income Approach

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

### DCF Method

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

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

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

## 6.7. Conclusion on Valuation Approach

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

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

### Cost Approach

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

INR Mn			
Sr. No.	SPV	Book EV	Adjusted Book EV
1	GPEL	3,802	4,794
2	PDEPL	7,470	7,578
3	GDHPL	8,263	9,139
4	GASHPL	3,734	4,262
5	VSEPL	10,914	12,115
6	GSSHPL	4,790	5,017
7	GDDHPL	4,380	5,181
8	GAKHPL	9,291	10,166
9	GGBHPL	5,642	5,985
Total		58,286	64,237

\* Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

*\*\* Adjusted Enterprise Value ("Adj EV") of the SPVs is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the Valuation Date.*

In the present case, the SPVs operate and maintain the project facilities in accordance with the terms and conditions under the relevant concession agreement(s). During the concession period, the SPVs operate and maintain their respective road assets and earn revenues through annuity payment that are pre-determined as per the respective concession agreement. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, I have not considered the cost approach for the current valuation exercise.

### **Market Approach**

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

### **Income Approach**

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

Currently, each of the SPVs are completed and are revenue generating. The revenue of the SPVs is based on tenure, annuity payments, operations and other factors that are unique to each of the SPVs. The revenue of the SPVs is mainly derived from the annuity payments (annuity fees), interest income on balance annuity payments (which is linked to bank rate) and O&M payments (adjusted for inflation), that is defined under respective Concession Agreement for operation period.

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

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## 7. Valuation of the SPVs

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- 7.1. In the present exercise, my objective is to determine the Fair Enterprise Value of the SPV as per the DCF Method. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. Accordingly, in the present case, I have considered it appropriate to consider cash flows at FCFF (Free Cash Flow to Firm) level i.e., cash flows that are available to all the providers of capital (equity shareholders, preference shareholders and lenders). Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund raising are not considered in the calculation of FCFF.
- 7.2. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPV as provided by the Investment Manager. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information. However, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.
- 7.3. Following are the major steps I have considered in order to arrive at the EV of the SPV as per the DCF Method:
1. Determination of Free Cash Flows to Firm which included:
    - a) Obtaining the financial projections to determine the cash flows expected to be generated by the SPV from the Investment Manager;
    - b) Analyzed the projections and its underlying assumptions to assess the reasonableness of the cash flows;
  2. Determination of the discount rate for the explicit forecast period; and
  3. Applying the discount rate to arrive at the present value of the explicit period cash flows and for arriving at the terminal value.
- 7.4. The key assumptions of the projections provided to me by the Investment Manager are:

### **Key Assumptions:**

#### **7.4.1. Revenue cash flows**

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

#### **Payment NHAI during the Construction Period:**

Each SPV was eligible to receive 40% of the Bid Project Cost, adjusted for the price index multiple, in 5/10 equal installments during the construction period. I have been represented by the Investment Manager that all the SPVs have received the agreed portion of the inflation adjusted bid project cost (of 40%) as per their respective concession agreement. Hence, no further cash flow receipts are attributable towards this segment of cash flows.

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

- a. **Annuity payments:** The Bid Project Cost remaining, adjusted for the price index multiple, to be paid in pursuance of the respective concession agreements (i.e. the Balance Completion Cost) is eligible to be received by the respective SPVs by way of specified biannual installments as mentioned in their respective concession agreement for the balance period of operations.
- b. **Interest:** As per the concession agreements, all the SPVs except GGBHPL are entitled to receive interest on reducing Balance Completion Cost equal to applicable Bank Rate (as decided by the Monetary Policy Committee and published by the Reserve Bank of India) + 3.00% spread and GGBHPL is entitled to receive interest on Average of Top 5 Scheduled Commercial Bank + 1.25% spread. Such interest is due and payable along with each of the biannual installments as mentioned above; and

Quarter	Bank Rate	Notes
Q1 FY2023–24	6.75%	Rate effective from February 8, 2023.
Q2 FY2023–24	6.75%	No change during this quarter.
Q3 FY2023–24	6.75%	No change during this quarter.
Q4 FY2023–24	6.75%	No change during this quarter.
Q1 FY2024–25	6.75%	No change during this quarter.
Q2 FY2024–25	6.75%	No change during this quarter.
Q3 FY2024–25	6.75%	No change during this quarter.
Q4 FY2024–25	6.50%	Reduced by 25 basis points on February 7, 2025.
Q1 FY2025-26	6.25%	Reduced by 25 basis points on April 9, 2025.

The above table represents the Bank Rate of past 2 years and one quarter. As of the valuation date, the prevailing Bank Rate was 6.50%. Subsequently, the rate was reduced by 25 basis points, bringing it down to 6.25% on 9<sup>th</sup> April. For the purpose of this valuation Exercise, the Investment Manager has provided the projection of all the SPV's considering the Bank rate to be 6.00%. (assuming a further rate cut of another 25 basis points)

Sr. No.	SPV	Annuities received till valuation date	Balance annuities to be received	Bank rate/ MCLR	Bank Rate/MCLR Rate considered	Interest Rate Considered
1	GPEL	10	20	Bank Rate	6.00%	9.00%
2	PDEPL	9	21	Bank Rate	6.00%	9.00%
3	GDHPL	7	23	Bank Rate	6.00%	9.00%
4	GASHPL	8	22	Bank Rate	6.00%	9.00%
5	VSEPL	8	22	Bank Rate	6.00%	9.00%
6	GSSHPL	7	23	Bank Rate	6.00%	9.00%
7	GDDHPL	5	25	Bank Rate	6.00%	9.00%
8	GAKHPL	4	26	Bank Rate	6.00%	9.00%
9	GGBHPL	1	29	MCLR	9.04%	10.29%

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

#### 7.4.2. Operating and Maintenance Expenses:

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

##### Operation and Maintenance Costs (Routine) ("O&M Costs")

These are routine costs incurred every year. These costs are related to the normal wear and tear of the road and hence involve repairing the patches damaged mainly due to heavy traffic movement. O&M Costs also includes staff salaries, project management fees, professional fees, insurance, security expenses, electricity, etc. The primary purpose of these expenses is to maintain the road as per the specifications mentioned in the respective concession agreement. SPV is generally responsible for carrying out operation and maintenance activities at its road during its concession period. The following table shows the broad breakup of O&M cost for FY 26, which is used in our valuation:

INR Mn									
Particulars	GPEL	PDEPL	GDHPL	GASHPL	VSEPL	GSSHPL	GDDHPL	GAKHPL	GGBHPL
Labour cess	0.9	0.9	2.5	0.4	3.1	0.5	0.5	0.7	0.3
O&M cost	122.3	88.4	122.4	60	149.6	59.2	66.2	147.1	94.0
PM Fees	3	3.3	4.3	1.8	5.9	2.2	1.2	4.0	3.0
<b>Total</b>	<b>126.2</b>	<b>92.6</b>	<b>129.2</b>	<b>62.2</b>	<b>158.6</b>	<b>61.9</b>	<b>67.9</b>	<b>151.8</b>	<b>97.3</b>

The Investment Manager has escalated these costs by approximately ~5% p.a. The Investment Manager has provided the estimated O&M costs for the projected period and I have corroborated the said expenses with O&M Contract signed with GR Infra through the Project manager i.e. Aadharshila Infratech Private Limited.

I understand that at the end of the seven years from the date of listing of units of the Trust, the O&M contract may be reviewed at the discretion of either of the contracting parties and the costs thereof may be mutually renegotiated if required.

## **Major Maintenance and Repairs Costs (“MMR Costs”)**

### **Estimating the MMR Costs**

Major maintenance expenses will be incurred on periodic basis. These are the costs incurred to bring the road assets back to its earlier condition or keep the road assets in its normal condition as per the concession agreement terms. These expenses are primarily related to the construction or re-laying of the top layer of the road. Accordingly, such costs include considerable amounts of materials and labour.

The Investment Manager has a view that there will be approximately 5% p.a. escalation. The Investment Manager has provided the estimated MMR cost for the projected period and I have corroborated the said expenses with O&M contract signed with GR Infra through the Project manager i.e. Aadharshila Infratech Private Limited.

I understand that at the end of the seven years from the date of listing of units of the Trust, the O&M contract may be reviewed at the discretion of either of the contracting parties and the costs thereof may be mutually renegotiated if required.

- 7.4.3. **Capital Expenditure (“Capex”):** As represented by the Investment Manager, regarding the maintenance Capex, there is no balance Capex in any of the SPVs.
- 7.4.4. **Direct Taxes:** As per the discussions with the Investment Manager, the new provisions of Income Tax Act, 1961 (Section 115BAA) have been considered for the projected period of all SPVs. The SPVs have been filing their income tax returns basis the IND AS Income, adjusted for adjustments prescribed by Income Computation and Deduction Standards IV i.e Revenue Recognition, which can be substantiated from the tax audit reports of the respective SPVs. I have relied on the representation of the Investment Manager for the projected tax outflow for the projected period.
- 7.4.5. **Working Capital:**  
The Investment Manager has provided projected financial information on biannual basis for all the SPVs. The biannual period are based on the annuity dates of the respective SPVs. The amount of O&M expenses payable to Project Manager by the SPV and Project Manager to O&M Contractor on the basis of their respective O&M Agreements is also due and payable on the basis of the annuity amount and date on which annuities are received. Hence, for all the SPVs where annuity payments are material component of revenue, there are no receivables and payables estimated to be outstanding at their respective annuity dates during the biannually prepared projected period. Other working capital items outstanding as at the Valuation Date mainly represents the advance income tax, GST input tax (and cash) credit, prepaid expenses, etc. that are separately adjusted in the calculation of the enterprise values of the SPVs. The Investment Manager has provided projected Working Capital information for all the SPVs. I have relied on the same.
- 7.4.6. **GST Claim:** The Investment Manager has informed us that due to the changes in extant provision of the Goods & Services Tax (“GST”) laws, the SPVs are eligible to receive GST claim from NHAI which are as follows:
  - i. **On Annuity:** As per the clarification notification of Ministry of Road Transport & Highways as on 27<sup>th</sup> August 2021 vis-à-vis Ministry of Finance circular dated 17<sup>th</sup> June 2021, SPVs are eligible to claim reimbursement of GST on annuity, considering change in law, after adjusting GST input credit lying with the SPVs.
  - ii. **On Interest on Annuity:** As per the Ministry of Finance circular dated 17<sup>th</sup> June 2021, GST will be applicable on annuity (deferred payments) paid for construction of roads i.e. annuity plus interest, additionally Ministry of Road Transport & Highways issued clarification dated 17<sup>th</sup> June 2021 that the SPVs will be eligible to claim reimbursement of GST on interest.
  - iii. **Change in GST rates:** Ministry of Finance vide notification no. 03/2022 dated 13<sup>th</sup> July 2022, increased the GST rates applicable on road construction services from 12% to 18%. As per the clarification of Ministry of Road Transport & Highways dated 20<sup>th</sup> September 2022, the above increase in GST rates are eligible for reimbursement from NHAI as it is considered as change in law (i.e. change of rate).

## 7.5. Impact of Ongoing Material Litigation on Valuation

As on 31<sup>st</sup> March 2025, there are no ongoing material litigations, except indirect tax litigations as shown in Appendix 5. Further, Investment Manager has informed us that majority of the tax litigations are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPVs. Further, I have been informed by the Investment Manager that the tax litigations prior to acquisition of SPVs by the Trust shall be covered by an indemnity given by the Settlor (GR Infra) for a period of eight years (from date of such transfer) through the Share Purchase Agreement ("SPA") executed between the Trust and the Settlor.

## 7.6. Calculation of Weighted Average Cost of Capital for the SPVs

### 7.6.1. Cost of Equity:

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

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

$$K(e) = R_f + [ERP \times \text{Beta}] + \text{CSRP}$$

Wherein:

K(e) = cost of equity

R<sub>f</sub> = risk free rate

ERP = Equity Risk Premium

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

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

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

### 7.6.2. Risk Free Rate:

I have applied a risk free rate of return of 6.55% on the basis of the zero coupon yield curve as on 31<sup>st</sup> March 2025 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited. For comparison, the previous valuation as of September 2024 used a risk-free rate of 6.69%.

### 7.6.3. Equity Risk Premium ("ERP"):

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. For my estimation of the ERP, I have considered rolling historical returns of 10, 15 & 20 year of Nifty 50 index from year 2000 to 2025. The 10 year rolling return, 15 year rolling return and the 20 year return for several periods were calculated. I have computed equity risk premium for each rolling period and accordingly I have arrived at ERP in the range of 6.2%, 6.4% & 8.1% which averages to ~7.0%. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate. For comparison, the previous valuation as of September 2024 used an Equity Risk Premium of 7.00%.

### 7.6.4. Debt-Equity Ratio:

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

Consolidated Borrowings- EV Ratio of Indus Infra Trust is ~30.48%.



Given the risk profile of HAM projects, and considering the leverage at 70-80% of the total project cost based on a rating agencies report available in public domain, and further considering the InvIT Regulations allowing in general upto 70% leverage in assets where AAA rating has been obtained, a debt-to-equity ratio of 70% for HAM asset was found to be appropriate. For comparison, the previous valuation as of September 2024 used a Debt-Equity Ratio of 70%.

**7.6.5. Beta:**

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

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

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of HAM based projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPVs.

*(Refer Appendix 3 for detailed workings)*

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

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

**7.6.7. Cost of Debt:**

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre-tax} * (1 - T)$$

Wherein:

K(d) = Cost of debt

T = tax rate as applicable

For valuation exercise, pre-tax cost of debt has been considered as 7.60%, as provided by the Investment Manager. For comparison, in the previous valuation exercise as on September 2024, a Cost of Debt of 8.10% was considered.

In light of the RBI Bank Rate reductions—from 6.75% to 6.50% in February 2025 and subsequently to 6.25% in April 2025—we have assumed a 0.5% decline in the cost of debt, reflecting the impact of these monetary policy adjustments.

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

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

Formula for calculation of WACC:

$$\text{WACC} = [K(d) * \text{Debt} / (\text{Debt} + \text{Equity})] + [K(e) * (1 - \text{Debt} / (\text{Debt} + \text{Equity}))]$$

Accordingly, as per above, I have arrived the WACC for the explicit period of the SPVs. For comparison, the previous valuation as of September 2024 used a WACC of 7.45%.

*(Refer Appendix 2 for detailed workings).*

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

Discounted cash flow require to forecast cash flows in future and discount them to the present in order to arrive at present value of the asset as on Valuation Date. To discount back the projections we use the Cash Accrual



Factor ("CAF"). The Cash Accrual Factor refers to the duration between the Valuation date and the point at which each cash flow is expected to accrue.

In case of HAM Projects, the annuities are received bi-annually at a predetermined date and the concession agreement provides that the annuities would be realized in 15 days from the annuity date. Hence we have considered appropriate annuity realizations date for the purpose of determination of the CAF. Accordingly, the cash flows during each year of the projected period are discounted back from the respective annuity realization to Valuation Date. Discounted cash flow is equal to sum of the cash flow in each period divided by discounting factor, where the discounting factor is determined by raising one plus discount rate (WACC) to the power of the CAF.

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

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

R = Discount Rate (i.e. WACC)

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

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## 8. Valuation Conclusion

- 8.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 8.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPVs.
- 8.3. Based on the above analysis, the fair EV and Adjusted Enterprise Value as on the Valuation Date of the SPVs is as mentioned below:

INR Mn				
Sr. No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	GPEL	7.10%	4,423	5,415
2	PDEPL	7.10%	7,691	7,799
3	GDHPL	7.10%	8,880	9,756
4	GASHPL	7.10%	3,992	4,520
5	VSEPL	7.10%	12,062	13,263
6	GSSHPL	7.10%	5,083	5,311
7	GDDHPL	7.10%	5,406	6,206
8	GAKHPL	7.10%	10,221	11,096
9	GGBHPL	7.10%	6,941	6,997
<b>Total</b>			<b>64,698</b>	<b>70,362</b>

(Refer Appendix 1 for detailed workings)

- 8.4. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.
- 8.5. Adjusted Enterprise Value is derived as EV as defined above plus cash or cash equivalents of the SPVs as at 31<sup>st</sup> March 2025.
- 8.6. On request of the Investment Manager, I have also calculated the 100% Equity Value of the SPVs as on the Valuation Date. For arriving at the 100% Equity Value, I have adjusted the EV arrived under DCF method for cash & cash equivalents, borrowings from lenders and InviT, based on the balance sheet of the SPVs as on the Valuation Date to arrive at the 100% Equity Value of the SPVs.
- 8.7. Calculation of Equity Value of the SPVs as on Valuation Date:

INR Mn									
	GPEL	PDEPL	GDHPL	GASPHL	VSEPL	GSSHPL	GDDHPL	GAKHPL	GGBHPL
<b>Fair Enterprise Value</b>	<b>4,423</b>	<b>7,691</b>	<b>8,880</b>	<b>3,992</b>	<b>12,062</b>	<b>5,083</b>	<b>5,406</b>	<b>10,221</b>	<b>6,941</b>
<b>Adjustments:</b>									
Cash & Cash Equivalents	992	108	876	528	1201	228	800	875	56
Borrowings from Lenders	-	-	-	-	-	-	-	-	(3,941)
Borrowings from Trust	(4,476)	(6,075)	(7,872)	(3,433)	(9,888)	(4,057)	(5,071)	(9,424)	(1,795)
<b>Equity Value</b>	<b>939</b>	<b>1,723</b>	<b>1,884</b>	<b>1,087</b>	<b>3,376</b>	<b>1,254</b>	<b>1,135</b>	<b>1,672</b>	<b>1,261</b>

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

- 8.9. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 8.10. Accordingly, I have conducted a quantitative sensitivity analysis on certain model inputs, the results of which are as indicated below:
- WACC by increasing / decreasing it by 1.0%
  - WACC by increasing / decreasing it by 0.5%
  - Total Expenses by increasing / decreasing it by 10%
  - Total Expenses by increasing / decreasing it by 20%

#### 1. Fair Enterprise Valuation Range based on

##### a. WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	4,260	7.10%	4,423	6.10%	4,596
2	PDEPL	8.10%	7,390	7.10%	7,691	6.10%	8,012
3	GDHPL	8.10%	8,511	7.10%	8,880	6.10%	9,277
4	GASHPL	8.10%	3,818	7.10%	3,992	6.10%	4,178
5	VSEPL	8.10%	11,564	7.10%	12,062	6.10%	12,597
6	GSSHPL	8.10%	4,868	7.10%	5,083	6.10%	5,316
7	GDDHPL	8.10%	5,137	7.10%	5,406	6.10%	5,697
8	GAKHPL	8.10%	9,754	7.10%	10,221	6.10%	10,727
9	GGBHPL	8.10%	6,634	7.10%	6,941	6.10%	7,274
Total			61,937		64,698		67,674

##### b. WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	4,340	7.10%	4,423	6.60%	4,508
2	PDEPL	7.60%	7,538	7.10%	7,691	6.60%	7,849
3	GDHPL	7.60%	8,692	7.10%	8,880	6.60%	9,075
4	GASHPL	7.60%	3,903	7.10%	3,992	6.60%	4,083
5	VSEPL	7.60%	11,809	7.10%	12,062	6.60%	12,325
6	GSSHPL	7.60%	4,974	7.10%	5,083	6.60%	5,197
7	GDDHPL	7.60%	5,269	7.10%	5,406	6.60%	5,548
8	GAKHPL	7.60%	9,983	7.10%	10,221	6.60%	10,469
9	GGBHPL	7.60%	6,784	7.10%	6,941	6.60%	7,104
Total			63,292		64,698		66,158

c. Expenses parameter (10%)

INR Mn				
Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	4,313	4,423	4,533
2	PDEPL	7,606	7,691	7,775
3	GDHPL	8,751	8,880	9,008
4	GASHPL	3,933	3,992	4,050
5	VSEPL	11,915	12,062	12,209
6	GSSHPL	5,023	5,083	5,144
7	GDDHPL	5,332	5,406	5,479
8	GAKHPL	10,056	10,221	10,386
9	GGBHPL	6,828	6,941	7,054
Total		63,758	64,698	65,637

d. Expenses parameter (20%)

INR Mn				
Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	4,203	4,423	4,643
2	PDEPL	7,522	7,691	7,859
3	GDHPL	8,623	8,880	9,136
4	GASHPL	3,875	3,992	4,108
5	VSEPL	11,767	12,062	12,357
6	GSSHPL	4,963	5,083	5,204
7	GDDHPL	5,259	5,406	5,552
8	GAKHPL	9,892	10,221	10,550
9	GGBHPL	6,715	6,941	7,167
Total		62,819	64,698	66,577

## 2. Adjusted Enterprise Valuation Range based on

### a. WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	5,252	7.10%	5,415	6.10%	5,589
2	PDEPL	8.10%	7,498	7.10%	7,799	6.10%	8,120
3	GDHPL	8.10%	9,387	7.10%	9,756	6.10%	10,153
4	GASHPL	8.10%	4,346	7.10%	4,520	6.10%	4,706
5	VSEPL	8.10%	12,765	7.10%	13,263	6.10%	13,799
6	GSSHPL	8.10%	5,096	7.10%	5,311	6.10%	5,543
7	GDDHPL	8.10%	5,937	7.10%	6,206	6.10%	6,497
8	GAKHPL	8.10%	10,629	7.10%	11,096	6.10%	11,602
9	GGBHPL	8.10%	6,690	7.10%	6,997	6.10%	7,330
Total			67,601		70,362		73,339

### b. WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	5,333	7.10%	5,415	6.60%	5,501
2	PDEPL	7.60%	7,646	7.10%	7,799	6.60%	7,957
3	GDHPL	7.60%	9,568	7.10%	9,756	6.60%	9,951
4	GASHPL	7.60%	4,431	7.10%	4,520	6.60%	4,611
5	VSEPL	7.60%	13,010	7.10%	13,263	6.60%	13,526
6	GSSHPL	7.60%	5,201	7.10%	5,311	6.60%	5,425
7	GDDHPL	7.60%	6,069	7.10%	6,206	6.60%	6,349
8	GAKHPL	7.60%	10,858	7.10%	11,096	6.60%	11,344
9	GGBHPL	7.60%	6,840	7.10%	6,997	6.60%	7,160
Total			68,956		70,362		71,822

### c. Expenses parameter (10%)

Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	5,305	5,415	5,525
2	PDEPL	7,714	7,799	7,883
3	GDHPL	9,627	9,756	9,884
4	GASHPL	4,461	4,520	4,578
5	VSEPL	13,116	13,263	13,411
6	GSSHPL	5,251	5,311	5,371
7	GDDHPL	6,133	6,206	6,279
8	GAKHPL	10,931	11,096	11,261
9	GGBHPL	6,883	6,997	7,110
Total		69,423	70,362	71,302

d. Expenses parameter (10%)

INR Mn				
Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	5,196	5,415	5,635
2	PDEPL	7,630	7,799	7,967
3	GDHPL	9,499	9,756	10,012
4	GASHPL	4,403	4,520	4,637
5	VSEPL	12,969	13,263	13,558
6	GSSHPL	5,191	5,311	5,431
7	GDDHPL	6,060	6,206	6,352
8	GAKHPL	10,767	11,096	11,425
9	GGBHPL	6,770	6,997	7,223
Total		68,483	70,362	72,241

3. 100% Equity Valuation Range based on

a. WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	GPEL	8.10%	776	7.10%	939	6.10%	1,112
2	PDEPL	8.10%	1,423	7.10%	1,723	6.10%	2,045
3	GDHPL	8.10%	1,515	7.10%	1,884	6.10%	2,281
4	GASHPL	8.10%	914	7.10%	1,087	6.10%	1,273
5	VSEPL	8.10%	2,878	7.10%	3,376	6.10%	3,911
6	GSSHPL	8.10%	1,039	7.10%	1,254	6.10%	1,486
7	GDDHPL	8.10%	866	7.10%	1,135	6.10%	1,426
8	GAKHPL	8.10%	1,205	7.10%	1,672	6.10%	2,178
9	GGBHPL	8.10%	954	7.10%	1,261	6.10%	1,594
Total			11,570		14,331		17,307

b. WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	GPEL	7.60%	856	7.10%	939	6.60%	1,024
2	PDEPL	7.60%	1,571	7.10%	1,723	6.60%	1,882
3	GDHPL	7.60%	1,696	7.10%	1,884	6.60%	2,079
4	GASHPL	7.60%	999	7.10%	1,087	6.60%	1,178
5	VSEPL	7.60%	3,122	7.10%	3,376	6.60%	3,639
6	GSSHPL	7.60%	1,144	7.10%	1,254	6.60%	1,368
7	GDDHPL	7.60%	998	7.10%	1,135	6.60%	1,278
8	GAKHPL	7.60%	1,434	7.10%	1,672	6.60%	1,920
9	GGBHPL	7.60%	1,104	7.10%	1,261	6.60%	1,424
Total			12,925		14,331		15,791

**c. Expenses parameter (10%)**

INR Mn				
Sr. No.	SPVs	EV at Expenses +10%	EV at Base Expenses	EV at Expenses -10%
1	GPEL	829	939	1,049
2	PDEPL	1,639	1,723	1,808
3	GDHPL	1,756	1,884	2,012
4	GASHPL	1,028	1,087	1,145
5	VSEPL	3,229	3,376	3,523
6	GSSHPL	1,194	1,254	1,314
7	GDDHPL	1,062	1,135	1,208
8	GAKHPL	1,508	1,672	1,837
9	GGBHPL	1,148	1,261	1,374
<b>Total</b>		<b>13,391</b>	<b>70,362</b>	<b>15,270</b>

**d. Expenses parameter (10%)**

Sr. No.	SPVs	EV at Expenses +20%	EV at Base Expenses	EV at Expenses -20%
1	GPEL	719	939	1,159
2	PDEPL	1,555	1,723	1,892
3	GDHPL	1,627	1,884	2,140
4	GASHPL	970	1,087	1,204
5	VSEPL	3,081	3,376	3,670
6	GSSHPL	1,134	1,254	1,374
7	GDDHPL	989	1,135	1,281
8	GAKHPL	1,343	1,672	2,002
9	GGBHPL	1,034	1,261	1,487
<b>Total</b>		<b>12,452</b>	<b>14,331</b>	<b>16,210</b>



## 9. Additional Procedures to be complied with in accordance with InvIT regulations

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### Scope of Work

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

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

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

### Limitations

- 9.2 This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.
- 9.3 I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.
- 9.4 I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.
- 9.5 I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

### Analysis of Additional Set of Disclosures for the SPVs

#### A. Purchase Price of the SPVs by the InvIT

As informed by the Investment manager, following are the purchase price of the SPVs of the InvIT against which units of Indus Infra InvIT for an equal amount have been allotted to G R Infraprojects during the IPO of InvIT for 100% Equity for all the SPVs except GAKHPL.

Sr. No.	SPVs	Purchase Price(INR Mn)	Acquisition date
1	GPEL	1,232*	1 <sup>st</sup> Mar 24
2	PDEPL	2,437*	1 <sup>st</sup> Mar 24
3	GDHPL	2,075*	1 <sup>st</sup> Mar 24
4	GASHPL	1,260*	1 <sup>st</sup> Mar 24
5	VSEPL	4,044*	1 <sup>st</sup> Mar 24
6	GSSHPL	1,507*	1 <sup>st</sup> Mar 24
7	GDDHPL	1,199*	1 <sup>st</sup> Mar 24
8	GAKHPL	986	17 <sup>th</sup> Sep 24
9	GGBHPL	464	28 <sup>th</sup> Mar 25

\* Purchase price considered basis the number of units allotted to G R Infraprojects during the IPO of InvIT for 100% equity stake

#### B. Valuation of the InvIT Assets in past

The Trust has acquired from G R Infraprojects Limited ("GR Infra") the SPVs, viz. GPEL, PDEPL, GDHPL, GASHPL, VSEPL, GSSHPL, GDDHPL and GAKHPL. Following is the summary of the past EVs and the date of acquisition of the SPVs:

EV (INR Mn)	GPEL	PDEPL	GDHPL	GASHPL	VSEPL	GSSHPL	GDDHPL	GAKHPL	GGBHPL	Total
30-Jun-22	6,776	9,455	11,619	4,784	15,794	5,910	6,585			60,923
31-Mar-23	6,205	9,467	11,197	5,085	15,946	6,089	6,941			60,931
30-Sep-23	5,670	8,877	10,455	5,063	14,941	5,796	6,471			57,273
31-Mar-24	5,117	8,326	9,919	4,323	14,005	5,543	5,882	11,950*		65,064
30-Sep-24	4,789	7,965	9,455	4,653	12,839	5,327	5,839	10,671		61,538
31-Jan-25									6,433	6,433

\*EV of GAKPHL is as on 27<sup>th</sup> May 2024

\*\*The acquisition Date for all the SPVs except GAKHPL and GGBHPL is 1<sup>st</sup> March 2024, for GAKHPL it is 17<sup>th</sup> September 2024 and for GGBHPL it is 28<sup>th</sup> March 2025.

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

As informed by the Investment Manager, there are no pending applications for government sanctions/ approvals by the SPVs (related to the road stretches of the SPVs) which are pending as on 31<sup>st</sup> March 2025. The list of sanctions/ approvals obtained by the SPVs till 31<sup>st</sup> March 2025 is provided in Appendix 4.1 to Appendix 4.9.

#### D. List of up to date/ overdue periodic clearances:

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

E. Statement of assets included:

The details of assets of the SPVs as per the provisional financial statements at 31<sup>st</sup> March 2025 are as mentioned below:

Sr. No.	SPVs	INR Mn		
		Net Fixed Assets	Non-Current Assets	Current Assets
1	GPEL	-	4,064	23
2	PDEPL	-	7,251	260
3	GDHPL	-	7,981	341
4	GASHPL	-	3,661	91
5	VSEPL	-	10,756	215
6	GSSHPL	-	4,612	185
7	GDDHPL	-	4,092	325
8	GAKHPL	-	8,200	1,277
9	GGBHPL	-	4,920	790
<b>Total</b>		<b>0</b>	<b>55,536</b>	<b>3,507</b>

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

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

**Forecasted major repairs**

SPVs	INR Mn						
	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
GPEL	-	-	524	550	-	-	-
PDEPL	-	-	108	113	-	-	-
GDHPL	-	-	-	-	627	658	-
GASHPL	-	-	-	38	40	-	-
VSEPL	-	-	770	808	-	-	-
GSSHPL	-	-	-	51	53	-	-
GDDHPL	-	-	-	-	61	64	-
GAKHPL	-	-	-	-	-	-	134
GGBHPL	53	-	-	-	-	-	232

SPVs	INR Mn							
	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39
GPEL	-	-	737	774	-	-	-	-
PDEPL	-	-	152	159	-	-	-	-
GDHPL	-	-	-	840	882	-	-	-
GASHPL	-	-	-	53	56	-	-	-
VSEPL	-	-	679	713	-	-	-	-
GSSHPL	-	-	-	71	75	-	-	-
GDDHPL	-	-	-	-	85	90	-	-
GAKHPL	140	-	-	-	-	179	188	-
GGBHPL	242	-	-	-	-	-	316	330

Source: Investment Manager

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

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

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

As informed by the Investment Manager, as on 31<sup>st</sup> March 2025, there are no ongoing material litigations, except indirect tax litigations as shown in Appendix 5. Further, Investment Manager has informed us that majority of the tax litigations are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPVs. Further, I have been informed by the Investment Manager that the tax litigations prior to acquisition of SPVs by the Trust shall be covered by an indemnity given by the Settlor (GR Infra) for a period of eight years (from date of such transfer) through the Share Purchase Agreement ("SPA") to be executed between the Trust and the Settlor.

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

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

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## 10. Sources of Information

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

- 10.1. Audited Financial Statements of the SPVs for Financial Year ("FY") ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2025.
- 10.2. Provisional Financial Statements of the SPVs for the period ended 31<sup>st</sup> March 2025;
- 10.3. Projected financial information for the remaining project life for each of the SPVs;
- 10.4. Details of projected Major Maintenance & Repairs (MMR) Expenditure and Capital Expenditure (Capex);
- 10.5. Signed O&M contracts for projected MMR and O&M Costs;
- 10.6. Details of brought forward losses (as per Income Tax Act) of the SPVs as at 31<sup>st</sup> March 2025;
- 10.7. Concession Agreement of each of the SPVs with their respective concessioning authority;
- 10.8. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs;
- 10.9. Shareholding pattern as on Valuation Date of the SPVs and other entities mentioned in this Report;
- 10.10. Management Representation Letter by the Investment Manager dated 6<sup>th</sup> May, 2025;
- 10.11. Relevant data and information about the SPVs provided by the Investment Manager either in written or oral form or in the form of soft copy;
- 10.12. Information provided by leading database sources, market research reports and other published data;

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

For the purpose of Calculation of Raw beta, we have sourced the data from S&P Capital IQ.

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

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

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## 11. Exclusions and Limitations

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- 11.1.** My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 11.2.** Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31<sup>st</sup> March 2025 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 11.3.** This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPVs till 31<sup>st</sup> March 2025. The Investment Manager has represented that the business activities of the SPVs have been carried out in normal and ordinary course between 31<sup>st</sup> March 2025 and the Report Date and that no material changes have occurred in the operations and financial position between 31<sup>st</sup> March 2025 and the Report date, except for any events disclosed by the Investment Manager during the valuation exercise.
- 11.4.** The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- 11.5.** In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out here in which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 11.6.** I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 11.7.** This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 11.8.** It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- 11.9.** Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 11.10.** This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 11.11.** Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on

an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.

- 11.12.** Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- 11.13.** Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 11.14.** I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 11.15.** My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.
- 11.16.** Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 11.17.** The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 11.18.** For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 11.19.** In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 11.20.** In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice or opinion and accordingly I do not assume any responsibility or liability in respect thereof.
- 11.21.** This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 11.22.** I am not an advisor with respect to legal, tax and regulatory matters for the transaction occurred. No investigation of the SPVs' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 11.23.** I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPVs.
- 11.24.** I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.



### **Limitation of Liabilities**

- 11.25.** It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Settlor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.
- 11.26.** In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- 11.27.** It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- 11.28.** RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.
- 11.29.** Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

Yours faithfully,



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**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 25028423BMOMXH6738

## Appendix 1 – Valuation of SPVs as on 31<sup>st</sup> March 2025

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Abbreviations	Meaning
O&M	Operation and Maintenance
EBITDA	Operating Earnings Before Interest, Taxes, Depreciation and Amortization
MME	Major Maintenance and Repairs Expenditure
WCap	Incremental Working Capital
FCFF	Free Cash Flow to the Firm
CAF	Cash Accrual Factor
WACC	Weighted Average Cost of Capital
DF	Discounting Factor
PVFCFF	Present value of Free Cash Flow to the Firm

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Appendix 1.1 – Valuation of GPEL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
e	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M
23-Aug-25	149	413	63	625	(63)	-	5	(81)	(139)	487	0.41	7.10%	0.97	473
23-Feb-26	249	277	63	589	(63)	-	5	(76)	(134)	455	0.92	7.10%	0.94	427
23-Aug-26	235	18	328	581	(66)	(262)	7	(72)	(393)	187	1.41	7.10%	0.91	170
23-Feb-27	233	20	328	581	(66)	(262)	0	(70)	(398)	183	1.92	7.10%	0.88	161
23-Aug-27	232	-4	345	573	(69)	(275)	0	(66)	(410)	163	2.41	7.10%	0.85	138
23-Feb-28	233	-4	345	573	(69)	(275)	0	(63)	(408)	165	2.92	7.10%	0.82	135
23-Aug-28	228	265	73	567	(73)	-	0	(59)	(132)	435	3.41	7.10%	0.79	344
23-Feb-29	210	282	73	565	(73)	-	0	(56)	(129)	435	3.92	7.10%	0.76	333
23-Aug-29	191	290	76	557	(76)	-	0	(52)	(128)	429	4.41	7.10%	0.74	317
23-Feb-30	172	308	76	556	(76)	-	0	(49)	(125)	431	4.92	7.10%	0.71	307
23-Aug-30	151	317	80	548	(80)	-	0	(44)	(124)	424	5.41	7.10%	0.69	292
23-Feb-31	129	336	80	546	(80)	-	0	(41)	(121)	425	5.92	7.10%	0.67	283
23-Aug-31	106	348	84	538	(84)	-	0	(36)	(120)	418	6.41	7.10%	0.64	269
23-Feb-32	83	368	84	535	(84)	-	0	(33)	(117)	419	6.92	7.10%	0.62	260
23-Aug-32	58	378	88	524	(88)	-	0	(28)	(116)	408	7.42	7.10%	0.60	245
23-Feb-33	32	389	88	509	(88)	-	0	(24)	(112)	397	7.92	7.10%	0.58	231
23-Aug-33	12	34	461	507	(92)	(369)	(8)	(19)	(488)	19	8.42	7.10%	0.56	11
23-Feb-34	10	43	461	514	(92)	(369)	(7)	(15)	(483)	31	8.92	7.10%	0.54	17
23-Aug-34	14	1	484	499	(97)	(387)	(14)	(10)	(508)	(9)	9.42	7.10%	0.52	(4)
23-Feb-35	13	-16	484	482	(97)	(387)	34	(5)	(455)	26	9.92	7.10%	0.51	13
Enterprise Value														
4,423														
Closing cash or cash equivalents as on the Valuation Date														
992														
Adjusted Enterprise Value														
5,415														
Borrow ings from Trust as on the Valuation Date														
(4,476)														
Equity Value														
939														

Appendix 1.2 – Valuation of PDEPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
15-Apr-25	202	432	46	680	(46)	-	171	(99)	26	706	0.05	7.10%	1.00	703
15-Oct-25	342	260	46	647	(46)	-	45	(89)	(91)	557	0.56	7.10%	0.96	536
15-Apr-26	329	210	102	641	(48)	(54)	37	(86)	(151)	490	1.05	7.10%	0.93	456
15-Oct-26	318	218	102	638	(48)	(54)	0	(83)	(185)	453	1.56	7.10%	0.90	407
15-Apr-27	307	217	107	632	(51)	(57)	0	(79)	(186)	445	2.05	7.10%	0.87	387
15-Oct-27	295	225	107	628	(51)	(57)	0	(75)	(183)	445	2.56	7.10%	0.84	373
15-Apr-28	283	286	53	623	(53)	-	0	(72)	(125)	498	3.06	7.10%	0.81	404
15-Oct-28	268	296	53	617	(53)	-	0	(68)	(121)	496	3.56	7.10%	0.78	389
15-Apr-29	253	301	56	610	(56)	-	0	(63)	(119)	491	4.06	7.10%	0.76	372
15-Oct-29	237	313	56	606	(56)	-	0	(60)	(115)	490	4.56	7.10%	0.73	359
15-Apr-30	221	319	58	599	(58)	-	0	(55)	(113)	485	5.06	7.10%	0.71	343
15-Oct-30	204	354	59	616	(59)	-	0	(51)	(109)	506	5.56	7.10%	0.68	346
15-Apr-31	184	402	61	648	(61)	-	0	(46)	(108)	540	6.06	7.10%	0.66	357
15-Oct-31	163	420	61	644	(61)	-	0	(42)	(103)	541	6.56	7.10%	0.64	345
15-Apr-32	142	433	64	639	(64)	-	0	(37)	(101)	538	7.06	7.10%	0.62	331
15-Oct-32	119	445	64	628	(64)	-	0	(32)	(96)	532	7.56	7.10%	0.60	317
15-Apr-33	97	369	143	609	(67)	(76)	0	(27)	(170)	439	8.06	7.10%	0.58	253
15-Oct-33	78	390	143	611	(68)	(76)	0	(22)	(165)	446	8.56	7.10%	0.56	248
15-Apr-34	57	412	150	620	(71)	(80)	(0)	(17)	(167)	453	9.06	7.10%	0.54	243
15-Oct-34	36	417	150	604	(71)	(80)	0	(11)	(162)	442	9.56	7.10%	0.52	230
15-Apr-35	14	531	38	583	(38)	-	43	(6)	(1)	583	10.06	7.10%	0.50	292
Enterprise Value														7,691
Closing cash or cash equivalents as on the Valuation Date														108
Adjusted Enterprise Value														7,799
Borrowings from Trust as on the Valuation Date														(6,075)
Equity Value														1,723

Appendix 1.3 – Valuation of GDHPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
6-Jul-25	268	542	65	875	(65)	-	132	(118)	(51)	824	0.29	7.10%	0.98	808
6-Jan-26	441	321	65	826	(65)	-	111	(111)	(64)	762	0.80	7.10%	0.95	721
6-Jul-26	422	326	68	816	(68)	-	13	(106)	(160)	656	1.29	7.10%	0.92	600
6-Jan-27	403	349	68	819	(68)	-	0	(104)	(171)	648	1.80	7.10%	0.88	573
6-Jul-27	382	356	71	809	(71)	-	0	(98)	(169)	640	2.29	7.10%	0.85	547
6-Jan-28	361	380	71	812	(71)	-	0	(96)	(167)	645	2.80	7.10%	0.83	533
6-Jul-28	343	73	388	804	(74)	(313)	0	(91)	(478)	326	3.30	7.10%	0.80	260
6-Jan-29	339	77	388	803	(74)	(313)	0	(87)	(475)	328	3.80	7.10%	0.77	253
6-Jul-29	335	53	407	794	(78)	(329)	0	(82)	(489)	306	4.30	7.10%	0.74	228
6-Jan-30	332	57	407	795	(78)	(329)	0	(78)	(485)	310	4.80	7.10%	0.72	223
6-Jul-30	323	380	82	786	(82)	-	0	(73)	(154)	631	5.30	7.10%	0.70	439
6-Jan-31	301	403	82	786	(82)	-	0	(69)	(151)	635	5.80	7.10%	0.67	427
6-Jul-31	277	428	86	791	(86)	-	0	(63)	(149)	643	6.30	7.10%	0.65	417
6-Jan-32	252	508	86	846	(86)	-	0	(59)	(145)	701	6.80	7.10%	0.63	440
6-Jul-32	222	528	90	840	(90)	-	0	(53)	(143)	697	7.30	7.10%	0.61	422
6-Jan-33	191	559	90	839	(90)	-	0	(48)	(138)	701	7.80	7.10%	0.59	410
6-Jul-33	158	581	94	833	(94)	-	0	(42)	(136)	696	8.30	7.10%	0.57	394
6-Jan-34	123	608	94	825	(94)	-	0	(37)	(131)	694	8.80	7.10%	0.55	379
6-Jul-34	93	192	519	805	(99)	(420)	0	(31)	(550)	255	9.30	7.10%	0.53	135
6-Jan-35	82	210	519	811	(99)	(420)	0	(25)	(544)	266	9.80	7.10%	0.51	136
6-Jul-35	70	207	545	822	(104)	(441)	(0)	(19)	(564)	258	10.30	7.10%	0.49	127
6-Jan-36	58	205	545	807	(104)	(441)	0	(13)	(558)	249	10.80	7.10%	0.48	119
6-Jul-36	39	638	109	786	(109)	-	(45)	(6)	(160)	626	11.30	7.10%	0.46	288
Enterprise Value														8,880
Closing cash or cash equivalents as on the Valuation Date														876
Adjusted Enterprise Value														9,756
Borrowings from Trust as on the Valuation Date														(7,872)
Equity Value														1,884

Appendix 1.4 – Valuation of GASHPL as on 31<sup>st</sup> March 2025 under the DCF Method

	INR Mn													
	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M
27-Sep-25	124	215	31	370	(31)	-	60	(54)	(25)	346	0.53	7.10%	0.96	334
27-Mar-26	205	122	31	359	(31)	-	16	(50)	(65)	294	1.03	7.10%	0.93	274
27-Sep-26	198	129	33	360	(33)	-	10	(49)	(71)	288	1.53	7.10%	0.90	259
27-Mar-27	190	131	33	354	(33)	-	0	(46)	(79)	276	2.03	7.10%	0.87	240
27-Sep-27	183	119	53	355	(34)	(19)	0	(45)	(98)	257	2.53	7.10%	0.84	216
27-Mar-28	176	122	53	351	(34)	(19)	0	(43)	(96)	255	3.03	7.10%	0.81	207
27-Sep-28	168	126	56	350	(36)	(20)	0	(41)	(97)	253	3.54	7.10%	0.78	198
27-Mar-29	161	128	56	345	(36)	(20)	0	(38)	(94)	251	4.03	7.10%	0.76	190
27-Sep-29	153	154	38	345	(38)	-	0	(37)	(74)	270	4.54	7.10%	0.73	198
27-Mar-30	144	158	38	339	(38)	-	0	(34)	(72)	268	5.03	7.10%	0.71	190
27-Sep-30	135	165	39	339	(39)	-	0	(32)	(72)	267	5.54	7.10%	0.68	183
27-Mar-31	125	170	39	334	(39)	-	0	(30)	(69)	265	6.03	7.10%	0.66	175
27-Sep-31	115	177	41	333	(41)	-	0	(28)	(69)	264	6.54	7.10%	0.64	168
27-Mar-32	104	183	41	328	(41)	-	0	(25)	(66)	262	7.04	7.10%	0.62	162
27-Sep-32	93	189	43	326	(43)	-	0	(23)	(66)	260	7.54	7.10%	0.60	155
27-Mar-33	82	196	43	321	(43)	-	0	(20)	(63)	258	8.04	7.10%	0.58	149
27-Sep-33	71	200	45	316	(45)	-	0	(17)	(63)	253	8.54	7.10%	0.56	141
27-Mar-34	59	201	45	305	(45)	-	0	(14)	(60)	245	9.04	7.10%	0.54	132
27-Sep-34	47	184	74	306	(48)	(27)	0	(12)	(86)	219	9.54	7.10%	0.52	114
27-Mar-35	36	198	74	308	(48)	(27)	(0)	(9)	(83)	225	10.04	7.10%	0.50	113
27-Sep-35	25	197	78	300	(50)	(28)	0	(6)	(84)	216	10.54	7.10%	0.49	105
27-Mar-36	13	198	78	288	(50)	(28)	(17)	(3)	(98)	190	11.04	7.10%	0.47	89
<b>Enterprise Value</b>														<b>3,992</b>
Closing cash or cash equivalents as on the Valuation Date														528
<b>Adjusted Enterprise Value</b>														<b>4,520</b>
Borrowings from Trust as on the Valuation Date														(3,433)
<b>Equity Value</b>														<b>1,087</b>

Appendix 1.5 – Valuation of VSEPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
29-Apr-25	381	749	80	1,210	(79)	-	178	(162)	(63)	1,147	0.09	7.10%	0.99	1,139
29-Oct-25	596	461	79	1,136	(79)	-	9	(147)	(217)	919	0.59	7.10%	0.96	882
29-Apr-26	573	87	468	1,128	(83)	(385)	12	(141)	(597)	531	1.09	7.10%	0.93	492
29-Oct-26	567	91	468	1,127	(83)	(385)	0	(137)	(605)	522	1.59	7.10%	0.90	468
29-Apr-27	562	66	491	1,119	(87)	(404)	0	(130)	(622)	498	2.09	7.10%	0.87	431
29-Oct-27	558	67	491	1,117	(87)	(404)	0	(125)	(617)	500	2.59	7.10%	0.84	419
29-Apr-28	548	472	91	1,111	(91)	-	0	(120)	(211)	900	3.10	7.10%	0.81	728
29-Oct-28	518	497	91	1,106	(91)	-	0	(114)	(205)	901	3.60	7.10%	0.78	704
29-Apr-29	487	515	96	1,098	(96)	-	0	(107)	(202)	896	4.10	7.10%	0.76	677
29-Oct-29	455	544	96	1,095	(96)	-	0	(101)	(197)	898	4.60	7.10%	0.73	655
29-Apr-30	421	566	100	1,087	(100)	-	0	(94)	(194)	893	5.10	7.10%	0.71	630
29-Oct-30	386	597	100	1,083	(100)	-	0	(88)	(188)	895	5.60	7.10%	0.68	610
29-Apr-31	349	621	105	1,075	(105)	-	0	(80)	(185)	889	6.10	7.10%	0.66	585
29-Oct-31	310	654	105	1,069	(105)	-	0	(74)	(179)	890	6.60	7.10%	0.64	566
29-Apr-32	269	683	110	1,062	(110)	-	0	(66)	(176)	886	7.10	7.10%	0.61	545
29-Oct-32	226	719	110	1,055	(110)	-	0	(59)	(169)	886	7.60	7.10%	0.59	526
29-Apr-33	187	397	455	1,038	(115)	(339)	0	(51)	(505)	533	8.10	7.10%	0.57	306
29-Oct-33	163	396	455	1,013	(115)	(339)	0	(43)	(498)	515	8.60	7.10%	0.55	286
29-Apr-34	138	399	477	1,014	(121)	(356)	0	(35)	(512)	502	9.10	7.10%	0.54	269
29-Oct-34	112	437	478	1,027	(121)	(356)	(0)	(27)	(504)	523	9.60	7.10%	0.52	271
29-Apr-35	80	796	127	1,004	(127)	-	0	(18)	(145)	859	10.10	7.10%	0.50	430
29-Oct-35	29	940	5	974	(5)	-	(44)	(9)	(58)	917	10.60	7.10%	0.48	443
Enterprise Value														12,062
Closing cash or cash equivalents as on the Valuation Date														1,201
Adjusted Enterprise Value														13,263
Borrow ings from Trust as on the Valuation Date														(9,888)
Equity Value														3,376



Appendix 1.6 – Valuation of GSSHPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
25-Jun-25	152	263	31	446	(31)	-	82	(65)	(15)	431	0.28	7.10%	0.98	423
25-Dec-25	248	145	31	424	(31)	-	78	(61)	(13)	411	0.78	7.10%	0.95	390
25-Jun-26	240	148	32	420	(32)	-	21	(58)	(70)	351	1.28	7.10%	0.92	321
25-Dec-26	231	156	32	419	(32)	-	0	(57)	(89)	330	1.78	7.10%	0.89	292
25-Jun-27	222	134	59	415	(34)	(25)	0	(54)	(114)	302	2.28	7.10%	0.86	258
25-Dec-27	214	140	59	414	(34)	(25)	0	(52)	(112)	302	2.78	7.10%	0.83	250
25-Jun-28	206	143	62	411	(36)	(27)	0	(50)	(112)	298	3.28	7.10%	0.80	238
25-Dec-28	197	148	62	408	(36)	(27)	0	(48)	(110)	298	3.78	7.10%	0.77	230
25-Jun-29	188	178	37	404	(37)	-	0	(45)	(82)	321	4.28	7.10%	0.75	240
25-Dec-29	178	187	37	402	(37)	-	0	(43)	(80)	321	4.78	7.10%	0.72	232
25-Jun-30	167	192	39	397	(39)	-	0	(40)	(79)	318	5.28	7.10%	0.70	221
25-Dec-30	155	201	39	395	(39)	-	0	(38)	(77)	318	5.78	7.10%	0.67	214
25-Jun-31	143	207	41	391	(41)	-	0	(35)	(76)	315	6.28	7.10%	0.65	205
25-Dec-31	131	216	41	388	(41)	-	0	(32)	(73)	315	6.78	7.10%	0.63	198
25-Jun-32	118	223	43	384	(43)	-	0	(29)	(72)	312	7.28	7.10%	0.61	189
25-Dec-32	105	232	43	380	(43)	-	0	(26)	(69)	311	7.78	7.10%	0.59	182
25-Jun-33	91	240	45	376	(45)	-	0	(23)	(68)	307	8.28	7.10%	0.57	174
25-Dec-33	77	247	45	369	(45)	-	0	(20)	(65)	304	8.78	7.10%	0.55	166
25-Jun-34	63	211	83	357	(47)	(36)	0	(17)	(100)	257	9.28	7.10%	0.53	136
25-Dec-34	51	223	83	357	(47)	(36)	0	(14)	(97)	260	9.78	7.10%	0.51	133
25-Jun-35	37	236	87	360	(50)	(38)	(0)	(11)	(98)	263	10.28	7.10%	0.49	130
25-Dec-35	23	240	87	350	(49)	(38)	0	(7)	(94)	256	10.78	7.10%	0.48	122
25-Jun-36	9	301	27	337	(27)	-	(3)	(4)	(33)	303	11.28	7.10%	0.46	140
<b>Enterprise Value</b>														<b>5,083</b>
Closing cash or cash equivalents as on the Valuation Date														228
<b>Adjusted Enterprise Value</b>														<b>5,311</b>
Borrowings from Trust as on the Valuation Date														(4,057)
<b>Equity Value</b>														<b>1,254</b>

Appendix 1.7 – Valuation of GDDHPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
29-Jul-25	180	(189)	33	24	(33)	-	61	(7)	21	45	0.37	7.10%	0.97	44
29-Jan-26	305	111	35	450	(35)	-	77	(70)	(28)	422	0.87	7.10%	0.94	398
29-Jul-26	297	110	36	443	(36)	-	76	(67)	(26)	418	1.37	7.10%	0.91	380
29-Jan-27	289	119	37	445	(37)	-	64	(66)	(38)	406	1.87	7.10%	0.88	357
29-Jul-27	281	119	37	437	(37)	-	34	(62)	(65)	372	2.37	7.10%	0.85	316
29-Jan-28	272	127	38	438	(38)	-	0	(61)	(99)	339	2.87	7.10%	0.82	278
29-Jul-28	264	99	70	433	(39)	(30)	0	(58)	(128)	305	3.37	7.10%	0.79	242
29-Jan-29	257	104	71	432	(40)	(30)	0	(56)	(127)	305	3.88	7.10%	0.77	234
29-Jul-29	249	102	73	425	(41)	(32)	0	(53)	(126)	298	4.37	7.10%	0.74	221
29-Jan-30	242	108	74	424	(42)	(32)	0	(52)	(125)	299	4.88	7.10%	0.72	214
29-Jul-30	234	140	43	417	(43)	-	0	(48)	(91)	326	5.37	7.10%	0.69	226
29-Jan-31	224	149	44	417	(44)	-	0	(46)	(90)	326	5.88	7.10%	0.67	218
29-Jul-31	213	151	45	410	(45)	-	0	(43)	(88)	322	6.37	7.10%	0.65	208
29-Jan-32	203	171	46	420	(46)	-	0	(41)	(87)	333	6.88	7.10%	0.62	208
29-Jul-32	191	205	48	443	(48)	-	0	(37)	(85)	358	7.38	7.10%	0.60	216
29-Jan-33	176	217	49	441	(49)	-	0	(35)	(83)	358	7.88	7.10%	0.58	208
29-Jul-33	161	225	50	436	(50)	-	0	(31)	(81)	355	8.38	7.10%	0.56	200
29-Jan-34	145	239	51	434	(51)	-	0	(29)	(80)	355	8.88	7.10%	0.54	193
29-Jul-34	128	249	52	429	(52)	-	0	(25)	(77)	352	9.38	7.10%	0.53	185
29-Jan-35	110	259	53	423	(53)	-	0	(22)	(75)	348	9.88	7.10%	0.51	177
29-Jul-35	92	219	97	409	(55)	(43)	0	(18)	(116)	294	10.38	7.10%	0.49	144
29-Jan-36	77	235	99	411	(56)	(43)	0	(15)	(114)	297	10.88	7.10%	0.47	141
29-Jul-36	60	254	102	416	(57)	(45)	(0)	(11)	(114)	303	11.38	7.10%	0.46	139
29-Jan-37	42	260	104	406	(59)	(45)	6	(8)	(105)	301	11.88	7.10%	0.44	133
29-Jul-37	23	308	60	391	(60)	-	(31)	(4)	(95)	296	12.38	7.10%	0.43	127
<b>Enterprise Value</b>														<b>5,406</b>
Closing cash or cash equivalents as on the Valuation Date														800
<b>Adjusted Enterprise Value</b>														<b>6,206</b>
Borrowings from Trust as on the Valuation Date														(5,071)
<b>Equity Value</b>														<b>1,135</b>

Appendix 1.8 – Valuation of GAKHPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+I	K	L	M	N=J*M	
24-Aug-25	216	507	76	800	(76)	-	299	(106)	117	917	0.50	7.10%	0.97	886
24-Feb-26	497	213	76	785	(76)	-	137	(103)	(42)	743	1.01	7.10%	0.93	694
24-Aug-26	483	209	80	772	(80)	-	135	(99)	(43)	729	1.50	7.10%	0.90	658
24-Feb-27	470	226	80	775	(80)	-	118	(99)	(61)	714	2.01	7.10%	0.87	622
24-Aug-27	455	223	83	762	(83)	-	115	(95)	(64)	698	2.50	7.10%	0.84	588
24-Feb-28	441	239	83	764	(83)	-	115	(95)	(64)	699	3.01	7.10%	0.81	569
24-Aug-28	425	240	87	753	(87)	-	112	(92)	(67)	685	3.50	7.10%	0.79	539
24-Feb-29	410	254	87	752	(87)	-	111	(91)	(68)	684	4.01	7.10%	0.76	520
24-Aug-29	394	254	92	739	(92)	-	108	(87)	(71)	668	4.50	7.10%	0.73	491
24-Feb-30	377	270	92	739	(92)	-	23	(87)	(156)	583	5.01	7.10%	0.71	414
24-Aug-30	361	202	163	726	(96)	(67)	0	(66)	(229)	497	5.50	7.10%	0.69	341
24-Feb-31	348	214	163	725	(96)	(67)	0	(66)	(229)	497	6.01	7.10%	0.66	329
24-Aug-31	334	208	171	713	(101)	(70)	0	(61)	(232)	482	6.50	7.10%	0.64	308
24-Feb-32	321	219	171	711	(101)	(70)	0	(60)	(231)	480	7.01	7.10%	0.62	297
24-Aug-32	306	289	106	701	(106)	-	0	(74)	(180)	521	7.51	7.10%	0.60	311
24-Feb-33	287	303	106	696	(106)	-	0	(73)	(179)	517	8.01	7.10%	0.58	299
24-Aug-33	268	374	111	753	(111)	-	0	(86)	(197)	556	8.51	7.10%	0.56	310
24-Feb-34	244	399	111	753	(111)	-	0	(86)	(197)	556	9.01	7.10%	0.54	300
24-Aug-34	218	409	116	744	(116)	-	0	(82)	(199)	545	9.51	7.10%	0.52	284
24-Feb-35	192	432	116	740	(116)	-	0	(81)	(198)	543	10.01	7.10%	0.50	273
24-Aug-35	164	438	122	724	(122)	-	0	(76)	(198)	527	10.51	7.10%	0.49	256
24-Feb-36	136	446	122	704	(122)	-	0	(71)	(193)	512	11.01	7.10%	0.47	240
24-Aug-36	108	378	218	704	(128)	(90)	0	(47)	(264)	440	11.51	7.10%	0.45	200
24-Feb-37	84	413	218	715	(128)	(90)	(0)	(49)	(267)	448	12.01	7.10%	0.44	196
24-Aug-37	58	419	218	694	(123)	(94)	0	(51)	(269)	425	12.51	7.10%	0.42	180
24-Feb-38	31	422	217	670	(123)	(94)	(119)	(45)	(382)	287	13.01	7.10%	0.41	118
Enterprise Value														10,221
Closing cash or cash equivalents as on the Valuation Date														875
Adjusted Enterprise Value														11,096
Borrow ings from Trust as on the Valuation Date														(9,424)
Equity Value														1,672

Appendix 1.9 – Valuation of GGBHPL as on 31<sup>st</sup> March 2025 under the DCF Method

INR Mn														
Date	Finance Income	Changes in Financial Asset	O&M Income	Total Inflow	O&M Expense	MM Expense	Wcap	Tax	Total Outflow	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=D+H	K	L	M	N=J*M	
2-Apr-25	327	121	75	523	(49)	(26)	25	(74)	(124)	399	0.06	7.10%	1.00	398
2-Oct-25	341	104	75	520	(49)	(26)	312	(73)	164	684	0.56	7.10%	0.96	658
2-Apr-26	333	131	51	514	(51)	-	71	(77)	(57)	457	1.06	7.10%	0.93	425
2-Oct-26	323	138	51	512	(51)	-	69	(77)	(59)	453	1.56	7.10%	0.90	407
2-Apr-27	313	140	53	506	(53)	-	68	(75)	(59)	446	2.06	7.10%	0.87	387
2-Oct-27	303	148	53	503	(53)	-	68	(74)	(59)	444	2.56	7.10%	0.84	373
2-Apr-28	292	152	55	499	(55)	-	67	(72)	(60)	438	3.06	7.10%	0.81	355
2-Oct-28	281	159	55	494	(55)	-	67	(71)	(59)	435	3.56	7.10%	0.78	340
2-Apr-29	269	161	58	488	(58)	-	66	(69)	(60)	428	4.06	7.10%	0.76	324
2-Oct-29	257	170	58	484	(58)	-	66	(68)	(60)	425	4.56	7.10%	0.73	310
2-Apr-30	247	55	176	478	(60)	(116)	44	(37)	(169)	310	5.06	7.10%	0.71	219
2-Oct-30	243	56	176	475	(60)	(116)	44	(36)	(168)	307	5.56	7.10%	0.68	209
2-Apr-31	239	45	184	468	(63)	(121)	42	(32)	(174)	294	6.06	7.10%	0.66	194
2-Oct-31	236	44	184	463	(63)	(121)	7	(31)	(208)	256	6.56	7.10%	0.64	163
2-Apr-32	231	162	65	458	(65)	-	2	(59)	(123)	335	7.07	7.10%	0.62	206
2-Oct-32	217	205	65	488	(65)	-	2	(67)	(130)	357	7.57	7.10%	0.60	213
2-Apr-33	202	213	68	484	(68)	-	2	(65)	(131)	353	8.07	7.10%	0.58	203
2-Oct-33	187	226	68	481	(68)	-	2	(65)	(131)	350	8.57	7.10%	0.56	194
2-Apr-34	170	233	71	474	(71)	-	2	(62)	(131)	343	9.07	7.10%	0.54	184
2-Oct-34	153	246	71	470	(71)	-	2	(61)	(130)	340	9.57	7.10%	0.52	176
2-Apr-35	135	254	74	463	(74)	-	3	(59)	(130)	333	10.07	7.10%	0.50	167
2-Oct-35	116	268	74	458	(74)	-	3	(57)	(129)	329	10.57	7.10%	0.48	159
2-Apr-36	96	278	78	452	(78)	-	3	(55)	(130)	322	11.07	7.10%	0.47	151
2-Oct-36	76	289	78	442	(78)	-	3	(53)	(128)	315	11.57	7.10%	0.45	142
2-Apr-37	58	129	239	426	(81)	(158)	3	(8)	(244)	182	12.07	7.10%	0.44	80
2-Oct-37	48	138	239	425	(81)	(158)	3	(8)	(244)	181	12.57	7.10%	0.42	77
2-Apr-38	38	141	250	428	(85)	(165)	3	(6)	(253)	176	13.07	7.10%	0.41	72
2-Oct-38	28	137	250	414	(85)	(165)	3	(2)	(249)	165	13.57	7.10%	0.39	65
2-Apr-39	14	379	4	397	(4)	-	(59)	(98)	(161)	236	14.07	7.10%	0.38	90
Enterprise Value														6,941
Closing cash or cash equivalents as on the Valuation Date														56
Adjusted Enterprise Value														6,997
Borrowings from lenders as on the Valuation Date														-3,941
Borrowings from Trust as on the Valuation Date														-1,795
Equity Value														1,261

Appendix 2 – Weighted Average Cost of Capital (WACC) of the SPVs as on 31<sup>st</sup> March 2025

Particulars	GPEL	PDEPL	GDHPL	GASHPL	VSEPL	GSSHPL	GDDHPL	GAKHPL	GGBHPL	Remarks
Risk free return (Rf)	6.55%	6.55%	6.55%	6.55%	6.55%	6.55%	6.55%	6.55%	6.55%	Note 1
Market Risk Premium (ERP)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	Note 2
Beta (Relevered)	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	Note 3
<b>Cost of Equity (Ke)</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>Base Ke = Rf + (β x ERP)</b>
Company Specific Risk Premium (CSRP)	0%	0%	0%	0%	0%	0%	0%	0%	0%	Based on SPV specific risk(s)
<b>Revised Cost of Equity (Ke)</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>10.40%</b>	<b>Adjusted Ke = Rf + (β x ERP) + CSRP</b>
Pre-tax Cost of Debt (Kd)	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	As per the Existing Cost of Debt of the SPVs, as represented by the Investment Manager
Tax rate of SPV	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	Tax Rate Applicable to SPVs is considered
<b>Post-tax Cost of Debt (Kd)</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>5.69%</b>	<b>Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)</b>
Debt/(Debt+Equity)	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
<b>WACC</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>7.10%</b>	<b>WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]</b>

Particulars	Remarks
Note 1	Risk Free Rate has been considered based on zero coupon yield curve as at 31 <sup>st</sup> March 2025 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Note 2	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Note 3	Beta has been considered based on the beta of companies operating in the similar kind of business in India

Appendix 3 – Calculation of Unlevered and Relevered Beta

A. Calculation of Unlevered Beta

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt/Equity}) * (1 - T)]$$

Particulars	Raw Beta	Debt to Market Capitalisation	Effective Tax Rate (%)	Unlevered Beta
IRB InvIT Fund	0.14	5.27%	25.17%	0.14
PG InvIT	0.40	70.64%	25.17%	0.26
<b>Average</b>				<b>0.20</b>

B. Calculation of Re-Levered Beta

$$\text{Re-Levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt/Equity}) * (1 - T)]$$

Particulars	GGBHPL	GPEL	PDEPL	GDHPL	GASHPL	VSEPL	GSSHPL	GDDHPL	GAKHPL
Unlevered Beta	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Debt Equity Ratio	2.33	2.33	2.33	2.33	2.33	2.33	2.33	2.33	2.33
Effective Tax Rate of SPV	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%
<b>Relevered Beta</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>

Justification of Companies used for calculation of Beta for SPV:

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

1. **IRB InvIT Fund**

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

2. **PG InvIT**

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



#### Appendix 4.1 – GPEL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	21-Nov-21	20-Nov-25	Assistant Labour Commissioner (Central) Jalandhar
2	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	21-Nov-16	Valid	Assistant Labour Commissioner (Central) Jalandhar
3	Consent to operate-water and operate-air from pollution control board	25-Aug-22	Valid	Punjab Pollution Control Board

Source: Investment Manager

**Appendix 4.2 – PDEPL: Summary of approval and licences**

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	19-Sep-18	18-Sep-25	Assistant Labour Commissioner (Central) Rajkot
2	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	19-Sep-18	Valid	Assistant Labour Commissioner (Central) Rajkot

*Source: Investment Manager*

#### Appendix 4.3 – GDHPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	22-Sep-18	20-Dec-25	Office Of Alc (Central), Vijayawada
2	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	22-Sep-18	Valid	Office Of Alc (Central), Vijayawada

*Source: Investment Manager*

#### Appendix 4.4 – GASHPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	29-Mar-19	28-Mar-26	Regional Labour Commissioner (Central) Pune
2	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	29-Mar-19	Valid	Regional Labour Commissioner (Central) Pune

*Source: Investment Manager*

#### Appendix 4.5 – VSEPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Consent to Establish for New Unit/Expansion/Diversification under the provisions of Water (Prevention and control of pollution) Act, 1974 as amended and Air (Prevention and control of Pollution) Act, 1981	07-Feb-22	05-Feb-26	Uttar Pradesh Pollution Control Board
2	Consolidated Consent to Operate and Authorisation hereinafter referred to as the CCA (Consolidated Consent & authorization) (Fresh) under Section-25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section-21 of the Air (Prevention & Control of Pollution) Act, 1981	11-May-22	31-Jul-26	Uttar Pradesh Pollution Control Board
3	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	03-Jul-17	Valid	Assistant Labour Commissioner (Central) Allahabad
4	Approval of labour license under the provisions of the Contract Labour Act	03-Jul-17	29-Jun-25	Assistant Labour Commissioner (Central) Allahabad
5	Approval for digging of ponds/nalas/Water Bodies/Rivers and utilisation of soil thereof for projects of water conservation in the drought-affected areas of the country	31-Aug-17	Valid	Ministry of Road Transport & Highways

Source: Investment Manager

**Appendix 4.6 –GSSHPL: Summary of approval and licences**

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	22-Apr-19	11-Dec-25	Regional Labour Commissioner (Central), Pune
2	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	22-Apr-19	Valid	Regional Labour Commissioner (Central), Pune

*Source: Investment Manager*

#### Appendix 4.7 –GDDHPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Valid upto	Issuing Authority
1	Approval of labour license under the provisions of the Contract Labour Act	30-Jul-19	29-Jul-25	Assistant Labour Commissioner (Central) Rajkot
2	Consent to Establish (NOC) under Section 25 of Water Act,1974 and section 21 of Air Act,1981. For site S.No 490, Village Dharampur, Pin 361305, Tal. Khambhalia, Dist Devboomi Dwarka	08-Sep-20	07-Sep-27	Gujarat Pollution Control Board
3	Registration Certificate under the provisions of the Building and other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996.	30-Jul-19	Valid	Office Of Alc (Central), Rajkot

Source: Investment Manager



**Appendix 4.8 – GAKHPL: Summary of approval and licences**

Sr. No.	Approval	Date of Issue	Valid Upto	Issuing Authority
1	Approval of labour license under the provision of the contract labour act	26-Aug-2020	25-Aug-2025	Deputy Chief Labour Commissioner (Central)
2	Registration Certificate under the provisions of the building and other Construction Workers (Regulation of employment and Condition of Service ) Central Rule 1998	04-Sept-2020	Valid	Deputy Chief Labour Commissioner (Central)

*Source: Investment Manager*

Appendix 4.9- GGBHPL: Summary of approval and licenses

Sr. No.	Approvals	Date of issue	Valid Upto	Issuing Authority
1	Employee Compensation Insurance Policy- Construction of road, major/minor bridges	8-Nov-2024	7-Nov-2025	The New India Assurance Co Ltd
2	Contract Labour (Regulation and Abolition) Central Rules, 1971	5-Jul-2021	4-Jul-2025	Chief Labour Commissioner (Central)
3	Registration Certificate under the provisions building and other construction workers (Regulation of Employment and Conditions of Service) Central Rules, 1998	24-Sept-2021	Valid	Chief Labour Commissioner (Central)
4	Employee Compensation Insurance Policy- Construction of road, major/minor bridges	8-Nov-2024	7-Nov-2025	The New India Assurance Co Ltd

Source: Investment Manager

## Appendix 5.1 – GDHPL: Summary of Ongoing Litigations

Sr. No.	Title	Pending Before	Particulars	Tax Amount Involved (INR Mn)	Tax Deposited (INR Mn)
1	Indirect Tax Matters -GST	Hon'ble High Court, Andhra Pradesh	<p><b>Background of the case:</b> M/s G R Gundugolanu Devarapalli Highway Private Limited ('SPV') had entered into a concession agreement for development of road with M/s National Highways Authority of India ('NHAI') on Hybrid Annuity Mode (HAM) basis. As per the concession agreement entered under HAM model fixed amount of consideration i.e. 40% is paid during construction phase and remaining consideration of 60% during Operational and Maintenance phase in the form of annuities. Annuities exempted in GST by virtue of Entry number of 23A of notification number 12/2017-Central Tax (Rate). However, on 17/06/2021 the CBIC released circular number 150/06/2021-GST Dt. 17/06/2021 on the taxability of annuities for construction, which has been interpreted by the authorities in a way that annuities paid under HAM projects are not exempted from GST. Prior to 17/06/2021 the GST authorities issued notices for reversal of input tax credit considering annuities as exempt from GST but after the issuance of said circular Dt. 17/06/2021 issued fresh show cause notices demanding GST on the entire amount of work completed and recognised in financial statements irrespective of the fact whether annuity payments fallen due or not. SPV had filed the Writ Petition before the Hon'ble Andhra Pradesh High Court. Pending Writ petition, the GST authority raised demand vide its order Dt. 23/03/2022 as per which demand of Rs. 147,44,31,064/- has been raised. Hon'ble Andhra Pradesh High court vide its order Dt. 05/05/2022 granted stay on the entire demand subject to payment of 5% of the demand and furnishing Bank Guarantee for 5% of demand. Stay order complied by the SPV with vide letter acknowledged Dt. 12/07/2022.</p> <p><b>Current Status:</b> The matter is currently pending in Andhra.</p>	1474.4 (i.e. ~14.82% of EV as on March - 24)	a) 5% of Demand Amount Deposited i.e. INR 73.7 Mn  b) Bank Guarantee Provided for 5% of Demand i.e. INR 73.7 Mn
2	Indirect Tax Matters -GST	Office of the Superintendent of Central Tax, Andhra Pradesh	<p><b>Background of the case:</b> Show Cause Notice ("SCN") was issued to M/s G R Gundugolanu Devarapalli Highway Private Limited in DRC 01 regarding audit observations of 2018-19. This notice is issued after filing reply in Form DRC 01A. Total GST of Rs. 8,72,680/- along with interest and penalty equivalent to tax was proposed to be deposited. Out of the total amount IGST under RCM of Rs. 6,91,470/- and IGST under RCM of Rs. 2,494/- on legal fees was already deposited vide DRC 03 dated 17/05/2022 along with interest of Rs. 4,07,937/- through DRC 03 dated 13/07/2022. The present SCN is seeking remaining IGST payment of Rs. 1,78,164/- under RCM on stamp duty charges and IGST of Rs. 552/- under RCM on other services received from ROC along with applicable interest and penalty equivalent to tax. Appeal has been filed on June 12,2023</p> <p><b>Current Status:</b> The matter is currently pending</p>	0.87	0.69

Source: Investment Manager

## Appendix 5.2 – GPEL: Summary of Ongoing Litigations

Sr. No.	Title	Pending Before	Particulars	Tax Amount Involved (INR Mn)	Tax Deposited
1	Indirect Tax Matters -Gst	Deputy commissioner of State Tax, Punjab	<p><b>Background of the case:</b> Deputy Commissioner of State Tax (Audit), Ropar, Punjab passed an order in Form GST DRC-07 gainst M/s GRPhagwara Expressway Limited wherein, a demand of Rs. 6,16,100 was raised on account of difference in ITC available in GSTR-2A as per table 8(A) and ITC claimed as per table 8(B). Company has submitted rectification request to the Deputy Commissioner in May 2024</p> <p><b>Current Status:</b> Order issued by GST department for drop of proceeding except excess input taken para dated 26-04-2024 and demand raised for input mismatch. We have filed rectification application against order for set aside of demand. Demand dropped by department through rectification order dated 01.08.2024 except penalty amount of Rs 40,000/-</p>	0.04	

Source: Investment Manager

### Appendix 5.3 – GAKHPL: Summary of Ongoing Litigations

Sr. No.	Title	Pending Before	Particulars	Tax Amount involved (INR Mn)	Tax Deposited
1	Indirect Tax Matter- GST	Pending before Hon'ble Allahabad High Court at Lucknow.	Adjudicating Officer has sought explanation and details for the adjustment in turnover of Rs. 5,67,77,379.63/- declared in Table 5(O) of Form GSTR-9C and asked to deposit GST @18% on the adjusted turnover. Company has responded that it has done adjustment in Table 5(O) in GSTR-9C as per accounting adjustment which is statutory requirement. The company under Table 5(O) of GSTR-9C has reported the turnover which was accounted in books of accounts in compliance with Ind AS 115.	10.20	

## Appendix 6 – Brief Details about the Valuer

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### Professional Experience

Sundararaman is a fellow member from the Institute of Chartered Accountants of India, Graduate member of the Institute of Cost and Works Accountants of India, Information Systems Auditor (DISA of ICAI) and has completed the Post Qualification Certification courses of ICAI on IFRS, Valuation. He is a registered Insolvency Professional and a Registered Valuer for Securities or Financial Assets, having been enrolled with the Insolvency and Bankruptcy Board of India (IBBI) after passing the respective Examinations. He possesses more than 30 years of experience in servicing large and medium sized clients in the areas of Corporate Advisory including Strategic Restructuring, Governance, Acquisitions and related Valuations and Tax Implications apart from Audit and Assurance Services.

His areas of specialization include valuation for various Infrastructure Companies including valuation for Investment Infrastructure Trusts (InvITs)

### Professional Qualifications & Certifications

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

### Contact Details:

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### Registration Details

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

**<< End of Report >>**