

5<sup>th</sup> August 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: Transcript of the Earnings Conference Call on the Quarterly Financial Results of Indus Infra Trust *formerly* Bharat Highways InvIT (“Trust”) for quarter ended 30<sup>th</sup> June 2025**

Dear Ma’am / Sir,

Please find enclosed the transcript of the Earnings Conference Call on the Unaudited Standalone and Consolidated Financial Results of the Trust for the quarter ended 30<sup>th</sup> June 2025, held on Thursday, 31<sup>st</sup> July 2025. The transcript is also being uploaded on the website of the Trust at:

<https://indusinvit.com/investor-information.html>.

You are requested to take the above information 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**

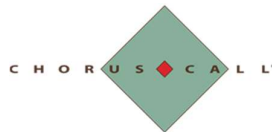
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## **Transcript of Q1FY26 Earnings Conference Call of**



**represented by its Investment Manager  
GR Highways Investment Manager Private Limited**

**Hosted by:**



**MANAGEMENT: MR. AMIT KUMAR SINGH, CHIEF EXECUTIVE OFFICER  
MR. HARSHAEL SAWANT, CHIEF FINANCIAL OFFICER**

**Moderator:**

Ladies and gentlemen, good day, and welcome to the Indus Infra Trust Q1 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I will now hand the conference over to Mr. Amit Kumar Singh, the Chief Executive Officer of the Investment Manager. Thank you, and over to you, Mr. Singh.

**Amit Kumar Singh:**

Thanks, Vishakha, and good afternoon, everyone. So on behalf of Indus Infra Trust and GR Highways Investment Manager Private Limited, a very warm welcome to each one of you on our first quarterly earnings call for FY '26.

Let me begin by recognizing the government's unwavering push towards the infrastructure development with the national highways network now crossing 1.46 lakhs kilometers. India now proudly holds the distinction of having the second largest road network in the world. Under the Honorable Prime Minister's Viksit Bharat at 2047 vision, the Ministry of Road Transport and Highways is not just laying roads, they're actually laying down the building blocks for long-term economic transformation for the country.

The pace of highways construction continues to remain strong. Over 60,000 kilometers have been added in the past decade alone. Just in the last few weeks, we have seen several key national highway projects being inaugurated, all launched across Bihar, Rajasthan, Telangana, Jharkhand and Maharashtra. These developments not only boost connectivity, but also open up significant ROFO and non-ROFO opportunities for InvITs like ours.

Let me now walk you through some of the key updates for the quarter. As of June 30, 2025, Indus Infra Trust continues to own a diversified portfolio of 9 HAM Road assets. Operational performance remains strong, and the portfolio has an average residual life of over 11 years. Annuity receipts have been in line with expectations, and our collection cycle remains healthy and timely.

We have remained disciplined in managing our capital structure. Our leverage stands at 28.97%, giving us ample room to pursue future acquisitions. The Board met yesterday and approved a distribution per unit DPU of INR3.25 for Q1 FY '26 broken down into INR2.78, which is INR2.78 as interest, INR0.04 as dividend and INR0.43 as capital repayment.

So with this, our cumulative DPU since listing now stands at INR17.45 per unit, underscoring our consistent focus on delivering stable and predictable returns to our unitholders. On the acquisition side, we have kicked off due diligence on our new ROFO

HAM assets offered by GR targeting to complete it by -- within this quarter. We are also actively evaluating third-party assets staying true to our quality-first strategy.

Looking ahead, we remain committed to playing a meaningful role in India's infrastructure growth, backed by a robust balance sheet, a well-defined pipeline of ROFO and third-party assets and the momentum of our recent strategic rebranding, we are in a strong position to capture emerging opportunities and drive long-term value for all our stakeholders. Thank you once again for joining us today.

With that, now I'll hand over to Harshael, who will walk you through the detailed financials. And after his presentation, we'll be happy to take your questions. Over to you, Harshael.

**Harshael Sawant:**

Thanks, Amit. Coming to Q1 FY '26 performance on a stand-alone basis. The interest income on the loan extended by the Trust to the SPVs was INR185 crores as against INR175-odd crores in Q4 FY '25. The increase in the interest income was on account of the debt on lend to Galgalia Bahadurganj project, which we had acquired in Q4 FY '25.

The dividend received during the quarter from the SPVs was INR9.09 crores, which was utilized for distribution during the last quarter. EBITDA adjusted for the impairment for the quarter was INR192.95 crores. The impairment, which is getting reflected in the stand-alone financials is on account of difference in the fair value and the book value of investment.

The reduction in fair value is primarily on account of cash, which is upstreamed by the SPV for distribution and on account of reduction in the bank rate during the last quarter. The total external borrowing at the Trust level stands at INR2,114-odd crores and the interest during the quarter on the same was INR37.5 crores.

During the month of May, we had availed additional borrowing of INR382-odd crores to refinance the external debt of Galgalia Bahadurganj project. The tax outflow, which is getting represented in stand-alone financials is only on the other income, which is earned by the Trust.

Coming to the consolidated financials. During the quarter, the total income was INR204.48 crores, consisting of INR186 crores from revenue from operations and other income of around INR18-odd crores. The revenue from operation includes finance income of INR155 crores as against INR186 crores in last quarter. The reduction in the finance income is primarily on account of reduction in the bank rate, resulting a lower financial income in the SPVs.

The revenue from contracts during the quarter was INR31.33 crores as against INR64.58 crores in Q4 FY '25. Excluding the prior period GST claim and change of scope amount,

which is included in the amounts mentioned earlier, the O&M expense for the period was INR24 crores as against INR19 crores in Q4 FY '25.

Coming to the distribution. In relation to the NDCF computation, which is shown on Slide 9 of the presentation, the SPV level cash flows, cash flows from operations at SPV, including the finance income was INR291.8 crores.

Considering the debt obligations at the SPV level and amount retained at the SPV level to meet the current liabilities, the net distributable cash flow worked out to INR221.59 crores. Out of this, the total distribution, which was upstreamed to the Trust was INR215.27 crores. And the form of distribution was INR184-odd crores in the form of interest, repayment of debt of INR28.55 crores and dividend amount of INR2.74 crores.

Post adjusting for Trust level expenses, finance costs, debt stock reserve requirement, the NDCF for the quarter worked out to INR147.1 crores, out of which approximately INR144 crores is proposed to be distributed, resulting in a distribution of INR3.25 per unit. The form of distribution was earlier mentioned by Amit and the amount will be distributed within 5 working days from the record date, which is August 4, 2025.

Thank you, and we are open to questions now.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Mr. Siddesh Chaudhari from Maximal Capital.

**Siddesh Chaudhari:** Sir, what is the AUM growth targets for FY '26, '27 and '28 from the ROFO assets?

**Amit Kumar Singh:** So I think with the acquisition what we are targeting is here from ROFO assets...

**Moderator:** Sorry to disturb you, sir. Mr. Siddesh, I will request you to keep yourself on mute because I can hear echo from your line, sir.

**Amit Kumar Singh:** So if you see the acquisition what we are targeting this year from GR ROFO assets and non-ROFO, I think we should add -- for at least FY '26, we should add almost INR3,500 crores to INR4,000 crores of the EV this year, which is '26. And '27, if I tell you, we should again add, say, to the tune of maybe INR5,000-odd crores in '27.

And if you see '28, again, it is going to be almost INR5,000 crores, INR5,500 crores. That's the -- I can tell you the pipeline work and see from the ROFO and the non-ROFO assets which we are evaluating now. And we are in the advanced stage of, say, either signing into a definitive agreements or signing into a nonbinding something.

Of course, this will get pushed up further, if we suppose people to close more non-GR deals. So I think INR3,500 crores to INR4,000 crores this year and maybe you can say INR5,000 crores, INR5,500 crores over the next 2 years, which is '27 and '28, yes.

**Siddesh Chaudhari:** Okay. And secondly, on the distribution, so this quarter, we have distributed INR3.25. So reasonable to expect that this year's full year distribution can be INR13 or more for FY '26?

**Amit Kumar Singh:** Look, if you put INR3.25 into 4s, that number comes. And guidance, what we had given was INR12.5 on the first call. I think we'll stick to the guidance. Whatever we distribute definitely will be more than the guidance once again. And that can be more than INR12.5 also.

**Siddesh Chaudhari:** Okay. And I think this quarter, we had more share of the capital return. So what could be the split going forward for interest and capital returns assuming dividend is small for the coming years?

**Amit Kumar Singh:** So I can tell you over the next 3 to 4 years, at least I can tell you maybe 4, 5 years, dividend is going to be minimal now. Primarily it's going to be a mix of interest and repayment of -- basically repayment of capital. So if I tell you this year is going to be most likely, say, 41% interest plus 8% to 9% dividend, that's the repayment of capital. So 50% interest and dividend for this year.

Next year, this is going to be, I think, two-third interest and dividend and one-third of capital increment. I think same for the year after next. So this is the basis the assets we have now. Once I take newer assets, this will change.

**Siddesh Chaudhari:** So 50-50 for this year and two-third, one-third for the next 2 years?

**Amit Kumar Singh:** Perfect, yes. Based on the 9% what we have now. Once we take more assets, again that contributes more towards dividend initially and it may change to a certain extent.

**Moderator:** The next question is from the line of Anant Mundra from Mytemple Capital.

**Anant Mundra:** Sir, what would be the current IRR after the recent rate cut?

**Amit Kumar Singh:** Recent rate cut?

**Anant Mundra:** Yes.

**Amit Kumar Singh:** Recent rate cut, I think IRR -- ballpark, I'm telling you because we need to relook at because we are taking one more assets now. So we have to combine that model -- as in the include that asset also. But I think ballpark, if I tell you, it should be around 10%-odd. A tad above 10%, but yes.

- Anant Mundra:** No. But why would it reduce so sharply? Because I think we were 12.12% and then there was a 75 bps rate cut after that...
- Amit Kumar Singh:** 10%, what I'm saying this is on the current market price, right? Because the market value...
- Anant Mundra:** No, no. Yes. So I was just talking with reference to the 12.12% that you had mentioned. So that would drop to what level?
- Amit Kumar Singh:** This 12.12%, I think it should be in the range of what we had seen last was around 11.9%.
- Anant Mundra:** It should be around 11.9% now?
- Amit Kumar Singh:** So ballpark 12%, again. Yes.
- Anant Mundra:** Okay. And then 2 more assets we are going to acquire in this quarter from GR?
- Amit Kumar Singh:** One more asset, sir. And 3 more assets will be, I think, most likely Q4. Because NHAI and lenders approval and everything we have to start. So I think that should take us to Q4.
- Anant Mundra:** Okay. So the -- this INR3,500 crores, INR4,000 crores EV that we are planning to add is only from the GR assets?
- Amit Kumar Singh:** No, this is GR and non-GR both. Because sir, what happens, whatever we distribute, right, that also goes back, right? So I'm taking you INR7,000 crores to -- we'll touch around INR10,500 crores to INR11,000 crores post our distribution.
- Anant Mundra:** Got it. And next year, INR5,000 crores and then the year after that, you mentioned another INR5,000 crores, that is only from GR, is what you're factoring?
- Amit Kumar Singh:** Year after that almost INR6,000 crores and year after that around INR5,000 crores, INR5,500 crores that is from GR and what some -- the ROFO is what we are looking at. But I think that number, again, may change because we are looking at some non-GR assets as well, which may get added. So this number also may change. But the more clarity will emerge, say, by end of this year.
- Anant Mundra:** Okay. And so then what would be our plan for fundraising? And because I think maximum leverage that we'll take is about 55%. That's what you had mentioned in the last call. So then what would our plan for fundraising? I think we'll need funds this year itself. Is that understanding, correct?
- Amit Kumar Singh:** No. So if you see on the gross basis, our leverage is around 28%, 29%, right? I can go up to what we have said that we'll go up to around, say, 60%, 62%, 63% of the overall leverage we can because now with this quarter of distribution, my 6 quarterly distribution would be done.

So actually, with the unitholders' approval, I can take my leverage up to whatever the permissible limits. But 70%, of course, nobody wants to go, nobody wants to, as that's so around 60%, 62%-odd. So I have a decent room to acquire, say, at least the next 3, 4, 5 assets, I can acquire through basically my leverage only. So I think plan for the fundraising, if until I get some good opportunity where the money may be required. Otherwise, it's going to be either Q4 or maybe sometime next year only.

- Anant Mundra:** Okay. And what would our current cost of debt be after the repo?
- Amit Kumar Singh:** Current cost of debt is currently ours is 7.1%, and this is linked to repo.
- Anant Mundra:** Sorry, I missed the number.
- Amit Kumar Singh:** 7.1%.
- Anant Mundra:** 7.1%.
- Amit Kumar Singh:** Yes.
- Anant Mundra:** All right. And sir, final question, maintenance contracts, what is our lock-in for the maintenance contracts with GR?
- Amit Kumar Singh:** Maintenance contracts, sir, it has -- when we had signed, this is 7 years and 7 plus 7. So the first 7 years, then we have a right to review both of us and then we can further extend it to 7 years.
- Anant Mundra:** Okay. But for 7 years, there's a full lock-in?
- Amit Kumar Singh:** Definitely. Yes, yes.
- Anant Mundra:** Both sides, okay.
- Moderator:** The next question is from the line of Siddesh Chaudhari from Maximal Capital.
- Siddesh Chaudhari:** Sir, just one more question on the industry per se. So...
- Moderator:** Sorry to interrupt you, Mr. Siddesh. Once you're done speaking keep yourself on mute because echo coming from your line, okay? Now you can speak.
- Siddesh Chaudhari:** Are you able to hear me?
- Moderator:** Yes, you are audible sir. But once you are done speaking, keep yourself on mute, let the management speak and then you can unmute yourself, okay?



**Siddesh Chaudhari:** Yes. So this was more like a relevant question to the industry. So I think there are 2 things that we have seen. One is the slow ordering in general, so people are not able to make much over asset to work on [inaudible 0:19:39]. And it can be because of that they did not want to sort of recycle the balance sheet because, there's not much of an honor which is coming through. So how do you see this situation...

**Moderator:** Mr. Siddesh, sorry to interrupt you. Your voice is coming from distant now. Can you please be a little louder?

**Siddesh Chaudhari:** Yes, yes, so the question about that, how do you see this sort of a situation evolving and any impact that it can have on our acquisition plans?

**Amit Kumar Singh:** So I think if you see -- yes, the last -- I think the couple of years, including last year, have seen some moderation in HAM awards. And even the awards which were done actually, there's a very intensive bidding, and it actually went to a lot of, you can say, new emerging players as well.

But I think NHAI is currently now coming with a couple of guidelines where there will be like very recently, they came up where they said that, okay, if you suppose you bid for INR1,000 is your bid -- is your order book and you bid for some new projects. So 20% of that is -- will get adjusted against your overall basically bid size so from your net worth.

So now what's going to happen is that I think these kind of regulations and of course, authorities may come up with other kind of things also. So this may actually will get some rationalization back in terms of your bidding. And then you can see that basically, you'll start seeing more awards coming from authority.

Second thing is what I understand is that also there's one reason NHAI and more, they are not awarding much of the projects is because new regulation, they say that minimum 80% to 90% of the land till the time is not there, they don't even award now. So with that one of them, of course, the land acquisition eventually, which actually used to happen later -- earlier -- after the award.

Now they've actually sort of basically brought it back, and they have front-ended it. So because of that, what's happening is that, of course, the awards are taking a little more longer. But I think we do expect that Q3 and Q4 of this year, primarily Q4, maybe Q3, we are expected to see some awards from NHAI. However, NHAI and MoRTH some awards are coming, but that is not of the bigger size. So it's going to, I would say, maybe competitively not so big players.

**Siddesh Chaudhari:** And do you feel...

**Amit Kumar Singh:** Sorry, Siddesh. I can't - your voice was feeble.

**Siddesh Chaudhari:** Yes. No, I was asking that since, there has been a lull period. So do you see that impacting their propensity to offload the assets to other indexes because already many of the developers are very cash rich? Right now, balance sheets are big. So they may not have to sell down to the indexes?

**Amit Kumar Singh:** Actually, if you see what's the trend, what we are seeing is -- if you can just put yourself on mute because the voice is echoing. Yes. So if you see, because of the trend, what we are seeing that, of course, as you see, if you see the last 2 years, the awards has been and the basic primary analysis of that threw up a trend that, the larger projects or maybe the majority of the projects not going to the listed ones, which are the bigger players.

So what bigger players, you can see across the place, you can see basically a theme of diversification. And they are getting into the different Infra segments. So whether it could be water, it could be roadways, it could be transmission, it could be railways, it can be building and factory.

So because of that, what happens in that newer segments, unlike roads where they are very much attuned to the working style and how to maintain capital, there, they need the capital. So that is not the case. And what we can see it, the trend is that, even the bigger guys who haven't got they are actually evaluating or deliberating recycling of the capital because that capital is required in turn to put in the newer segments.

And of course, the newer segments may not throw up the same kind of margins, which they've been enjoying in roads because, of course, there is a cost of learning as well. So I don't see that even the not -- no new projects being awarded, will sort of hamper, basically monetization of roads from these guys because their balance sheet is strong. Yes, I agree. Balance sheet is strong, but I think opportunities are being explored and are being deliberated across the developers.

**Moderator:** The next question is from the line of Deep from Bandhan AMC.

**Deep:** Congratulations, sir, on a stable and more than expected guided DPU. So just one thing, I mean, considering the draft guidelines that we see that in toll assets now kind of every kind of cash flow will be linked to traffic, right? I mean if there is -- I mean, if the traffic is low, then NHAI will reimburse the company.

And if traffic is high, then I mean, the company will pay back to NHAI. So how will the industry shape up in case of toll assets? And any plans to diversify to toll at least for some percentage of AUM? Or I mean, we'll stick to HAM only. If you can just throw some light on that?

**Amit Kumar Singh:**

So I think -- thanks, Deep. Actually, there are 2 different things. If you see, of course, what we had recently got to know that there's one more new BOT framework, which MoRTH is going to come out very soon.

But I can tell you about the recent one where what's happening is that if -- suppose your traffic get -- or you get higher traffic than the estimated traffic of a given year. So what's happening is -- and I'm talking about the current agreement, current -- basically BOT agreement, where model concession agreement I'm talking about.

There, what's happening is that your concession gets reduced, okay? And suppose your - - to the extent of 20% of your overall concession period. And if suppose you don't get the higher traffic or the your estimated traffic in a given year, of course, there are re-competition happens and then it gets -- you get an extension, which is again to the maximum of 20%, okay? So this is what the formula given now.

I think the one -- what you asked is that this INR3,000 and basically INR200 rides. That's a different thing because everybody is now calculating that, okay, depending on that, what should be the formula and they will go to authority and ask for, say, basically this thing under change in law and on what period is -- basically what should be the periodicity for that payment to happen from authority.

Everything is being worked upon. So nothing has been finalized or this thing because there are a lot of guys who have got impacted. They were -- because of a lot of car traffic. They're just doing that. But I think your question was more first towards the answer given the first part, which is model concession agreement where there's a provision of extension or reduction of your concession on account of a traffic, which is being achieved or not achieved on a given date, and that is against the estimated traffic. Hope I'm clear what you asked.

**Deep:**

Yes, yes, definitely. Sir, I mean do you have any plans to diversify into that segment or we are planning to stick to HAM only? I mean, because now eventually, there also cash flow certainty will rise, not definitely like HAM, but to some extent, if you can throw some light. I think also we are going to get some norms for 90% of the right of way thing. I'm not sure on that, but if you can just throw some light?

**Amit Kumar Singh:**

Yes. So that is very clear that under BOT, if you have right of way, but until unless that concession or that project is not being put to use for the economic purposes, of course, there won't be anything. So when you get a BOT, of course, you want to be very sure of the right of way because once you construct, of course, you can also -- you also start collecting the toll.

Coming back to our strategy, I think we have been very clear since day 1 when we went to the market to our investors that we want to maintain a strategy where this InvIT -- the underlying assets of this InvIT, not necessarily the HAM, but yes, if you take, say, a BOT asset or a TOT, that can be subject to a maximum of X percentage of my overall AUM, so that it doesn't impact the basic tenant or basic fabric of my InvIT.

Because I want to keep giving the steady and consistent returns or DPU to my unitholders. So if whatever I take, it should be -- there should be a proper track record. So I don't want to take a -- don't want to take, say, under construction BOT. Even if I take a BOT, that should be if I'm buying from somebody or even from, let's say, a commercial ROFO from GR also, that should have a 2, 3 years, a couple of years of the traffic history so that I exactly know that even after doing a sensitivity, what's the basic threshold level I can come down to.

And that should not again impact my distribution or DPU -- distribution capability, what are the guidance I would have given at the start of that year. So of course, that we model properly. And after evaluating that, subject to a certain size of my AUM, we'll have to start looking at that because see, at the end of the day, your Trust is also part of the ecosystem, and the ecosystem will only have all the new toll assets or TOT assets coming. Of course, we may also have to start looking at that.

But of course, that will be done with a proper discussion and deliberation with our unitholders also because that has been our basically idea since the time we came through this IPO that whatever we do, will then bounce it off to our unitholders or maybe have a proper discussion, I'll come to you for your approval so that there's -- what we are doing as a strategy, as a proper thought-out strategy is being -- should not be disturbing the -- my distribution history or my distribution guidance.

**Deep:** Perfect. Sir, just a last question, a follow-up on that. So I think we have considerable amount of acquisitions due at least for...

**Amit Kumar Singh:** Sorry, just come again...

**Deep:** Can you hear me now? Am I audible?

**Amit Kumar Singh:** Yes, you are audible.

**Deep:** So only one thing, and since we have considerable amount of acquisition already due for '26, '27 proposition on GR. I the proposition of bought or -- say, coming, when we -- I mean, are we going to take it up in near future? Or it is a kind of later estimate? Which may do over the course of time?

**Amit Kumar Singh:** See, our timeline has been very clear, and it's not that anything which I can do as per my wish. This is a proper timeline which has been actually defined. So if you see in the concession agreement, my -- okay, first, I'll come to my InvIT, my InvIT allows to me take an asset which is inevitable only if it should have a revenue generation track record of 1 year.

So if I take an example of a HAM asset, I can only take an asset of say from anybody, whether it's a GR under ROFO and non-GR asset, then they say 2 annuities or 1 year would have been passed by. Only thing is that -- but NHAI actually can give you the change of control even after completion of -- even after, say, payment of first annuity, which is 6 months. So -- but generally then it takes some timelines also which you take in terms of consummating the transaction.

So generally, when I take asset, actually with a practically 1 year passes. In terms of -- so all the assets, what I said from GR, what I'm going to take under ROFO, whether it's a '26 or it's a '27, it will also follow that timeline. In terms of BOT acquisition timeline, of course, we keep evaluating, we keep the BOT assets.

But there's no timeline which is like because any BOT asset which I started evaluating now also easily the -- it's coming on board will easily take you through at least past '26. So you will easily enter '27. But as of now, I don't have any -- of course, as a process, you keep evaluating, but there's nothing -- no BOT assets where I can give you any timeline. So everything is under consideration, under evaluation.

**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Amit Kumar Singh for closing remarks.

**Amit Kumar Singh:** Thanks. And I would again want to thank all the unitholders who joined me in this call. I wish all of you a good day, and we'll keep you posted on any developments which will happen, a substantial development, which will happen on our side. Thanks again. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Indus Infra Trust, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.