

March 19, 2020

## **IndInfraVIT Trust completes the acquisition of 100% stake in eight operational road projects of Sadbhav Infrastructure Project Limited**

In terms of the definitive documentation entered into by IndInfraVIT Trust (“IndInfraVIT”) and Sadbhav Infrastructure Project Limited (“SIPL”) for the proposed acquisition of 9 (nine) road infrastructure projects on July 1, 2019, IndInfraVIT has, pursuant to its acquisition of Mysore-Bellary Highway Private Limited (“MBHPL”) today, completed the acquisition of 100% of the equity shareholding and economic interest held by SIPL in 8 (eight) road infrastructure projects (“Acquired Portfolio”). The Acquired Portfolio currently comprises the following 8 (eight) assets: (i) Bhilwara Rajsamand Tollway Private Limited, (ii) Dhule Palesner Tollway Limited, (iii) Hyderabad Yadgiri Tollway Private Limited, (iv) Nagpur Seoni Expressway Limited, (v) Shreenathji Udaipur Tollway Private Limited, (vi) Bijapur-Hungund Tollway Private Limited, (vii) Aurangabad Jalna Tollway Limited and (viii) MBHPL. The enterprise value of 100% of the Acquired Portfolio is approximately INR 63bn.

The acquisition of the remaining road infrastructure project, namely Ahmedabad Ring Road Infrastructure Limited (“ARRIL”), for which IndInfraVIT has entered into definitive documentation with SIPL, is pending the receipt of requisite regulatory approvals and fulfillment of certain other conditions set out under the definitive documents.

In connection with the IndInfraVIT’s acquisition of 100% equity shareholding and economic interest in the Acquired Portfolio, SIPL has been paid consideration by way of a preferential issue of units of IndInfraVIT (amounting to 10% on post-issue basis) as well as cash. IndInfraVIT has raised the cash by way of a preferential issue of units to the leading unitholders of IndInfraVIT namely, L&T Infrastructure Development Projects Limited (“L&T IDPL”), Allianz, Canada Pension Plan Investment Board (“CPP Investments”), and OMERS Infrastructure (the infrastructure arm of OMERS Administration Corporation).

IndInfraVIT has also undertaken an issue of non-convertible debentures with a view to refinance a substantial portion of the financial indebtedness of the Acquired Portfolio.

This transaction is in line with IndInfraVIT’s strategy to acquire additional road projects in India, and would significantly expand IndInfraVIT’s current road portfolio of five operational toll road concessions.

The Acquired Portfolio comprises of six toll roads and two annuity roads, with total c. 2,300 lane kms in Karnataka, Maharashtra, Rajasthan and Telangana, some of India’s most economically vibrant states. The roads forming part of the Acquired Portfolio have been operational, on an average, for over 6 years, and are used by diverse groups of road users and commercial traffic. The states in which these roads are present contribute c.32% to the GDP and c.23% to the population of India.

SIPL is a leading Indian road developer, which is promoted by Sadbhav Engineering Limited (“SEL”). Both SIPL and SEL are entities listed on the stock exchanges in India.

Mr. J Subramanian, CEO, LTIDPL IndvIT Services Limited (Investment Manager of IndInfraVIT), views this acquisition as part of a new era in infrastructure development. IndvIT, as a structure has facilitated a new investor class with a keen interest to allocate large capital towards infrastructure landscape. IndvITs, backed by marquee overseas investors, create the necessary ecosystem to support the government’s ambitious plan to develop high quality infrastructure in the country.

Ambit Private Limited acted as the exclusive financial advisor to IndInfraVIT on this transaction.

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