



December 1, 2025

Corporate Relationship Department, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1 Block G Bandra Kurla Complex, Bandra (E), Mumbai 400 051
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Dear Sir / Madam,

Ref.: Scrip Code: 540526, Symbol: IRBINVIT

Sub.: Valuation Report and O&M Cost Projection Report

Please note that in continuation to our disclosure dated December 1, 2025 for the proposed acquisition of VM7 Expressway Private Limited (“VM7”) from IRB Infrastructure Developers Limited (“**Sponsor**”), please find enclosed a copy of the Valuation report issued by i.e. Incwert Advisory Private Limited (IBBI Reg. No. IBBI/RV-E/05/2019/108), along with O & M Cost Projection Report as issued by M/s. Lea Associates South Asia Private Limited.

You are requested to take note of the same.

Thanking you.

Yours faithfully,

**For IRB Infrastructure Private Limited
(Investment Manager to IRB InvIT Fund)**

**Rushabh Gandhi
Director & Chief Financial Officer**

Encl.: As above

CC:
IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Bldg,
Sir Phirozshah Mehta Rd., Fort
Mumbai 400 001

Valuation report

Valuation date: 30 November 2025

Report date: 01 December 2025

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2. Definitions, abbreviations & glossary of terms

Annuities	Annuities received by the SPV from NHAI
CCM	Comparable Companies Multiple
CTM	Comparable Transaction Multiple
DCF	Discounted Cash Flow
EV	Enterprise value
HAM	Hybrid Annuity Model
IBBI	Insolvency and Bankruptcy Board of India
ICAI	Institute of Chartered Accountants of India
INR	Indian Rupees
InvIT or Trust or Company or You or Client	IRB InvIT Fund
IRBIDL	IRB Infrastructure Developers Limited
IRR	Internal rate of return
Kms	Kilometres
Management	Management or representative of the Company/Target
NAV	Net Asset Value
NHAI	National Highways Authority of India
O&M	Operation and Maintenance
PAT	Profit After Tax
PBT	Profit before Tax
SEBI InvIT Regulations	Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014
Valuer or Incwert	Incwert Advisory Private Limited
VM7 or Asset or SPV	VM7 Expressway Private Limited

3. Background

3.1 Brief Background and Purpose

- IRB Infrastructure Developers Limited (“IRBIDL”) is a listed infrastructure development company, undertaking development of various infrastructure projects via the Public Private Partnership model.
- IRBIDL is an infrastructure development and construction company in India in the roads and highways sector. It was incorporated on 27 July 1998 and is based in Mumbai, India.
- IRB InvIT Fund (the “Trust”) is a Trust constituted by “The Indenture of Trust” dated 16 October 2015 registered under the Registration Act, 1908 and registered with the Securities and Exchange Board of India as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.
- The Trust is backed by IRBIDL, as a Sponsor and Project Manager. The Trustee to IRB InvIT is IDBI Trusteeship Services Limited (the “Trustee”) and Investment manager for the Trust is IRB Infrastructure Private Limited.
- The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Trust’s road projects are implemented and held through Special Purpose Vehicles.
- We understand that the Trust has received an offer to acquire VM7 from the Sponsor and accordingly, the valuation of VM7 is required in accordance with Regulation 21(8)(a) of Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (“SEBI InvIT Regulations”). (“**Proposed Transaction**”).
- Further, IRB InvIT Fund is contemplating acquiring a 100 per cent stake in VM7 from IRB Infrastructure Developers Limited, which is also a unitholder and related party of IRB InvIT Fund as represented by the Management.
- In this regard, the Incwert has been appointed to determine the Equity Value of the VM7 on a standalone basis under the SEBI InvIT Regulations as on 30 November 2025 (“**Valuation Date**”).

4. Sources of Information

We have relied on the following sources of information:

As provided by the Management:

- Information on business and profile of the SPV as provided by the Management.
- Concession agreement between VM7 Expressway Private Limited (“VM7”) and National Highway Authority of India (“NHAI”), dated 15 September 2020.
- Unaudited financial statements of VM7 for the 8-month period ended on 30 November 2025.
- Audited financial statements of VM7 for the year ended on 31 March 2022, 31 March 2023, 31 March 2024, and 31 March 2025.
- Income tax returns for AY 2025-26 for the SPV
- Financial projections prepared on the cash basis of VM7 for the period from 01 December 2025 till the end of the concession period, i.e. 31 May 2040.
- The list of all the permits and licenses of the SPV as provided by the Management.
- The estimate and timing of the proposed major repairs to be carried out by IRBIDL as provided by the Management.

- The one-time sanctions/ approvals as provided by the Management.
- Site Visit and Physical inspection of the SPV
- Management has also represented that there are no ongoing material litigations, including tax litigations in relation to VM7.
- Correspondence with the management of the Company.
- In addition to the above, we have also obtained such other information and explanations from the management, either verbally or in written form, as were considered relevant for the valuation.
- Publicly available information and information available from proprietary secondary sources.

Please note that with respect to the provisional and projected financial statements, rounding off of amounts in the underlying financial information could result in immaterial arithmetic differences

The Company has been provided with the opportunity to review the draft Report (excluding the valuation of the SPV) as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

4.1 Details of Site Visit

The site visit of the SPV is conducted during the week ending 29 November 2025. Please refer to the later part of this report for the site photographs of the SPV.

5. Exclusions and Limitations

5.1 Context and Purpose

The Management has appointed the Incwert to determine the Equity Value of VM7 pursuant to the SEBI InvIT Regulations.

This valuation analysis exercise and valuation report are solely for the Purpose mentioned herein in the Report.

5.2 Restricted Audience

This report and the information contained herein will be published and be in the public domain as required under SEBI Regulations and are intended for use only in connection with the Purpose set out in the Report.

It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without the written consent of the Valuer. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the SEBI InvIT Regulations. This report and summary of valuation included herein can be reproduced and included in the statutory filings and may be made available for inspection in the manner specified therein. In the event, if the Client or its management extend the use of the report beyond the Purpose mentioned earlier in the report, with or without the consent of the Valuer, the Valuer 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.

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 that this report is not a substitute for the third party own due diligence / appraisal / enquiries / independent advice that the third party should undertake for its purpose.

5.3 Limitation Clause

The 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 therein.

The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Further, conducting a financial or technical feasibility study was also not covered. During the course of this work, the Valuer has relied upon assumptions and projections related to the SPV made by the management of the Client. These assumptions require exercise of judgment and are subject to uncertainties.

Further, this Valuation Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to the Valuer or used by the Valuer up to the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the SPV. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report, and the Valuer shall not be obliged to update, review or reaffirm this report if the information provided to the Valuer changes. The information presented in this Valuation Report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the Valuation Report materially.

Valuation is not a precise science, and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While the Valuer has provided an assessment of the value based on an analysis of information available and within the scope of engagement, others may place a different value on the businesses.

Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as prediction 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.

The realisation of these projections is dependent on the continuing validity of the assumptions on which they are based. Since the projections relate to the future, actual results are likely to be different from the projected results in case of events and circumstances not occurring as projected and the differences may be material. The Valuer's work did not constitute a validation of the financial projections of the SPV under consideration and accordingly, the Valuer does not express any opinion on the same. The Valuer has not commented on the appropriateness of or independently verified the assumptions or Information provided to us for arriving at the financial projections. Further, while the Valuer has discussed the assumptions and projections with the management of the Client, Valuer's reliance on them for the purpose of valuation should not be construed as an assurance about the accuracy of the assumptions or the achievability of the financial projections.

This Report is based on information received from sources mentioned herein and discussions with the management of the Client. This information has not been independently verified by the Valuer. The Valuer has assumed that the Management of the Client has furnished all information, which it is

aware of concerning the financial statements and respective liabilities, which may have an impact on this Report.

The Valuer has not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPV mentioned in this Report and has considered them at the value as disclosed by the Trust in their regulatory filings or in submissions, oral or written, made to the Valuer. Nothing has come to the Valuer's knowledge to indicate that the material provided to the Valuer was misstated or incorrect or would not afford reasonable grounds upon which to base this Report.

The Valuer has not made any independent verification with respect to the claim to title of assets or property for the purpose of this valuation. With respect to claim to title of assets or property, the Valuer has solely relied on representations, whether verbal or otherwise, made by the Management of the Client to us for the purpose of this Report.

For the present valuation analysis exercise, the Valuer has also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified. Further, the Valuer has not verified the publicly available information cited in this Report.

In the particular circumstances of this case, the Valuer shall be liable only to the Trustee of IRB InvIT Fund, the Trust and the Investment Manager. The Valuer shall have no liability (in contract or under statute or otherwise) to any other party for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused other than in cases of fraud, gross negligence or wilful misconduct, or on account of any natural calamities, shall be limited to the amount of fees actually received by the Valuer as laid out in the engagement letter, for such valuation work.

Whilst, all reasonable care has been taken to ensure that facts stated in the Report are accurate and opinions given are fair and reasonable, neither the Valuer, nor any of the Valuer's team member shall in any way be responsible for the management content, third party content or other any content sourced from publicly available information, stated herein. Accordingly, the Valuer makes no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such content. The Valuer expressly disclaim any and all liabilities, which may arise based upon such content used in this Report.

This Report does not look into the business / commercial reasons behind the transaction nor the likely benefits arising out of the same. Similarly, it 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, or whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Trust are sole responsibility of the investors of the Trust and the Valuer does not express opinion on the suitability or otherwise of entering into any financial or other transactions with the Investment Manager, the Trust or the Sponsor.

The Valuer is not advisor with respect to legal tax and regulatory matters for the transaction. No investigation of the SPV claim to title or assets has been made for the purpose of this Report and the SPVs' claim to such right 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.

Except to the extent required under the SEBI InvIT Regulations and other applicable law, the Valuer is not responsible for matters of legal nature including issues of legal title and compliance with local laws in respect of the SPV and also no consideration has been given to litigation and other contingent liabilities that are not recorded in the financials of the SPV.

The valuation analysis in this Report should not be construed as investment advice; specifically, and the Valuer do not express any opinion on the suitability or otherwise of entering into any financial or other transactions with the Investment Manager, the Trust or any of the SPVs.

The estimate of value contained herein are not intended to represent value of the SPV at any time other than the dates specifically mentioned for each valuation result, as per the agreed scope of engagement and as required under the SEBI InvIT Regulations.

Our work in preparing the report was undertaken, and our report has been produced in accordance with the terms of engagement between us and the Client. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, diligence services, or consulting/ tax-related services.

This Valuation Report, its contents, and results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement along with subsequent discussions with the management; (ii) the date of this Valuation Report, and (iii) are based on the data detailed in the section – Sources of information. An analysis of this nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular, and the information made available to us as of the Valuation Date. Events occurring after the Valuation Date may affect this Valuation Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Valuation Report

Management has represented that the business activities of the Company have been carried out in the normal and ordinary course and that no material adverse change has occurred in operations between the Valuation Date and the date of issue of the Valuation Report

The Valuer is not responsible for updating this Valuation Report because of events or transactions occurring subsequent to the date of issue of this Report

6. Overview of the SPV

6.1 VM7 Expressway Private Limited (“VM7” or “VM7 Expressway”)

- VM7 Expressway Private Limited is a HAM asset owned by IRBIDL. The project is a green field project, falls under the Vadodara – Mumbai section of the Delhi – Mumbai Expressway Project and is Package VII of Phase I, starting from Km 190.000 (Village Gandeve in Navsari District) and ends at Km 217.500 (Village Ena in Surat District). Latitude and longitude of the project corridor are between 20° 51' 45.7", 73° 4' 27.3" and 21° 6' 21.7", 73° 2' 27.8".
- The project corridor falls in Gujarat State and passes through two districts (Surat & Navsari) of Gujarat. Corridor length in Navsari District is 14.487 Kms (From Km 190.000 to Km 204.487) and in Surat District is 13.013 Kms (from Km 204.487 to Km 217.500).
- Concession Period: The concession period for this project is 17 years, commencing from the Appointed Date, which includes a construction period of 2 years or 730 days and an operations period of 15 years, commencing from COD, as per the concession agreement.
- Operation and Maintenance: VM7 is required to carry out the operation and maintenance of this project, and if required, modify, repair or otherwise make improvements to the project highway in accordance with the concession agreement.
- Management has represented that IRB InvIT Fund is contemplating acquiring a 100 per cent stake in VM7 from IRB Infrastructure Developers Limited, which is also a unitholder and related party of IRB InvIT Fund. IRB Infrastructure Developers Limited is a Sponsor and Project Manager of IRB InvIT Fund.



The key details of VM7 are as follows:

Key Details of VM7	
Particulars	Details
Project name	Construction of Eight lane Access Controlled Expressway from km 190.000 To km 217.500 of Vadodara Mumbai Expressway (Gandevato Ena Section) in the state of Gujarat under Bharatmala Pariyojana (Phase I-Package VII).
Name of concessionaire	VM7 Expressway Private Limited
State	Gujarat
NH/SH	Part of Delhi Mumbai Expressway
PPP mode	Hybrid Annuity Mode (HAM)
Execution of concession agreement date	15 September 2020
Appointed date	09 November 2021
PCOD date	31 May 2025
Scheduled construction completion end date	08 November 2023
Original Concession period	17 years
Expected concession end date	31 May 2040
Tollable length (kms)	27.5 kms
Toll plaza	Not applicable; it's a HAM project

The shareholding pattern of VM7 as on 30 November 2025 is as follows:

Name of shareholder		
In millions	No of shares	
	held	Stake %
IRB Infrastructure Developers Limited	64.52	100.0%
Total	64.52	100.0%

Note: IRB InvIT Fund proposes to acquire 100 per cent stake in VM7 by way of acquisition of equity shares and 100 per cent of the outstanding shareholder loan from the existing shareholder of VM7.

For the list of approvals and disclosure on litigation, please refer Annexure I related to the SPV.

7. Industry Overview

7.1 Indian Economy

India's economy demonstrated strong momentum in Q2 of FY 2025-26, with real GDP expanding by 8.2%, supported by broad-based growth across key sectors. The secondary sector grew by 8.1%, led by robust performance in manufacturing (9.1%) and construction (7.2%), while the tertiary sector registered a solid 9.2% growth driven by financial, real estate, and professional services. Private Final Consumption Expenditure also remained healthy, rising by 7.9% and indicating sustained domestic demand. Gross Value Added increased by 8.1% during the quarter, reflecting consistent economic activity despite moderate growth of 3.5% in agriculture. Overall, India recorded 8.0% real GDP growth in the first half of FY 2025-26, underscoring continued economic resilience and stable macroeconomic conditions.

Market Size and Growth: National highway development in India has sustained strong momentum, recording a 9.3% CAGR between FY16 and FY24. In FY24, 12,349 km of highways were constructed, following 10,457 km in FY22 and 10,331 km in FY23. Under the Union Budget 2024–25, the Ministry of Road Transport and Highways received an allocation of INR 2.72 lakh crore, with a provisional construction target of 10,421 km for FY25, slightly lower due to delays in state clearances during the extended election cycle. As of December FY25, 3,100 km had been awarded, and by August 2025, the national highway network stood at 146,204 km, with 5,614 km already constructed against the FY25 target. NHAI also achieved a record capital expenditure of INR 2,07,000 crore in FY24, reflecting a 20% year-on-year increase. Currently, 202 projects worth INR 79,789 crore (spanning 6,270 km) are under implementation, supported by steady private participation, with FDI inflows of INR 1,36,460 crore into construction development and 826 PPP-based road projects out of 1,883 active projects as of September 2025.

7.2 Road and Highway Sector in India (Sector background)

India with a total road and highway network of 6.34 million Km comprises national & state highways and urban & India has the second largest road network in the world of about 6.34 million kilometres (kms).

As on 31 March 2025, the length of various categories of roads is as under:

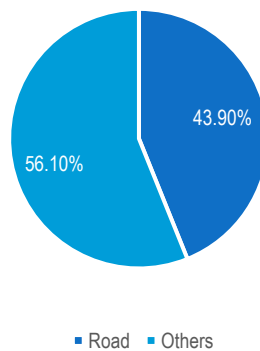
National Highways	1,46,204 km
State Highways	1,79,535 km
Other Roads	60,19,723 km
Total	63,45,462 km

7.3 Strengthening Private Sector Contribution

The PPP framework was introduced to increase the efficiency of infrastructure projects through long term collaboration between the public sector and private businesses.

- As of September 2025, India had a total of 1,883 road projects, of which 826 were being implemented under the Public–Private Partnership (PPP) model.
- The Union Government has approved eight national high-speed corridor projects spanning 936 km, with a total investment of INR 50,655 crore (USD 6.09 billion). These projects are expected to attract substantial private participation, strengthening the role of private developers and investors in accelerating the delivery of high-value, capital-intensive highway infrastructure across the country.
- The government has implemented more than 60 road projects across India—collectively valued at over USD 10 billion—under the Hybrid Annuity Model (HAM). By creating a more balanced distribution of risks between public and private partners, HAM has significantly strengthened private sector participation and revived momentum in PPP-led highway development.

Total PPP Projects in India (as of September 2025)



7.4 Evolution of PPP in road sector in India

PPP in the road sector in India has passed through several distinct phases:

- **Build- Operate-Transfer:**
It is a form of project financing, wherein a private entity receives a concession from the private or public sector to finance, design, construct, own, and operate a facility stated in the concession contract. This enables the project proponent to recover its investment, operating, and maintenance expenses in the project. But significant improvements in private participation were observed. Private sector participation in BOT projects peaked till Financial Year (FY)12. But a steep decline in PPP participation was observed in FY13 and FY14 with many viable projects unable to attract even a single bid.
- **Hybrid Annuity Mode (HAM):**
HAM was introduced to reinvigorate PPP participation in the road sector after interest in BOT projects waned. It has mainly provided advantages to the developers in form of reduction in Initial funding requirements in PPP projects as 60 per cent of the bid project cost is to be arranged by the concessionaire. This reduces the initial equity requirement and encourages participation by mid-sized developers to invest in PPP projects. Further, debt requirements go down from 70 per cent to around 42 per cent of the project cost. The introduction and strong implementation of HAM has seen HAM become the preferred PPP mode in India.

- Toll- Operate- Transfer (TOT)

TOT is a model for operational national highway projects where investors make a lump sum payment in return for long-term toll collection rights backed by a sound tolling system. Three TOT bundles have been floated by NHAI so far out of which financial closure of one bundle was achieved in August 2018 with the highest bidder bid at least 1.5 times the IECV and for one bundle bid process is ongoing.

The National Highways Authority of India is looking to tweak the BOT framework as the Government plans to revive the BOT model to make it more attractive to private investors and lenders.

7.5 Policy support & Government initiatives

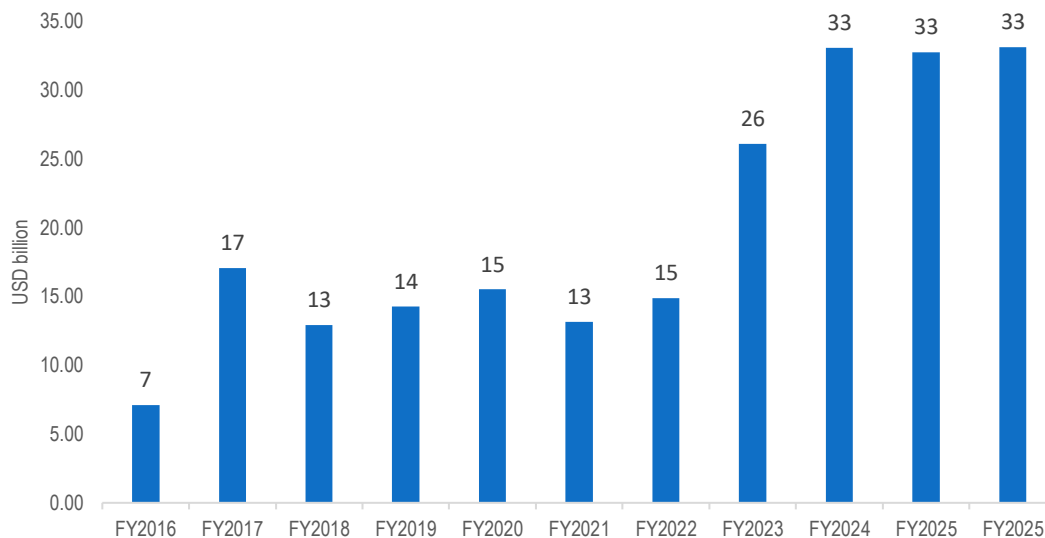
- As of 05 June 2025, the Bhoomi Rashi Portal (Land Acquisition Portal) has integrated 3,427 National Highways Authority of India (NHAI) projects onto its online platform.
- Up to 100% Foreign Direct Investment (FDI) is permitted under the automatic route in the roads and highways sector, subject to applicable laws and regulations.
- Under the Pradhan Mantri Gram Sadak Yojana (PMGSY), the target of connecting all habitations above the prescribed population thresholds has been achieved, significantly enhancing rural connectivity and driving socio-economic development in rural areas. Additionally, the Government of India is developing 35 multimodal logistics parks under the Bharatmala Pariyojana, with an estimated investment of approximately INR 46,000 crore (USD 5.21 billion), designed to handle around 700 million metric tonnes of cargo.
- In September 2025, the Government of India announced an INR 11 lakh crore (USD 125 billion) initiative to develop 17,000 km of high-speed, access-controlled expressways by 2033. Approximately 40% of these corridors are already under construction, with the majority expected to be completed by 2030.
- On 09 September 2025, Delhi received an Rs. 803 crore (USD 90.93 million) boost under the Central Road and Infrastructure Fund (CRIF) for more than 140 road and flyover upgrade projects.
- On 22 August 2025, Chief Minister of Odisha, Mr. Mohan Charan Majhi unveiled an ambitious plan to construct 30,000 km of rural roads and 500 bridges over five years. The plan focuses on quality, maintenance, and prioritizes tribal and Maoist-affected areas, aligning with PMGSY Phase-IV.
- By March 2025, under Bharatmala Pariyojana, a total of 20,378 km of roads had been constructed with projects awarded for 26,425 km. This included strategic roads like the Frontier Highway on the Indo-Tibet Myanmar border and the Delhi-Mumbai Expressway

7.6 Budgetary Outlay for Roads

- The National Highways Authority of India (NHAI) recorded a landmark expenditure of INR 2,50,000 crore (USD 29.26 billion) provisionally on national highway construction in FY25, surpassing its annual target of INR 2,40,000 crore (USD 28.09 billion). This reflects a 21% increase over FY24 and a 45% rise compared to FY23. NHAI also exceeded its construction target by completing 5,614 km of highways against the planned 5,150 km. During the year, the Authority raised INR 28,724 crore (USD 3.36 billion) through asset monetization via TOT, InvIT, and toll securitization, including its highest-ever single-round InvIT proceeds of INR 17,738 crore (USD 2.08 billion).
- Under the Union Budget 2025–26, the Government of India allocated INR 2,87,333 crore (USD 33.07 billion) to the Ministry of Road Transport and Highways, representing a modest increase of 2.41% over the allocation for FY25.

- The Bharatmala Pariyojana is a key driver of India’s infrastructure transformation, focusing on the planned development of economic corridors, feeder routes, and expressways. By strengthening linkages across 500 districts, the programme is expected to significantly boost regional trade, expand tourism potential, and support broader socio-economic advancement across the country.
- NHA is advancing the development of Digital Highways by integrating Optic Fibre Cable (OFC) networks into national highway corridors. Under this initiative, two pilot corridors—Delhi–Mumbai (1,367 km) and Hyderabad–Bangalore (512 km)—have already been awarded, and OFC installation is in progress. The creation of this digital backbone will enhance internet penetration in remote regions and support the rollout of next-generation technologies, including 5G and 6G.
- India’s first elevated eight-lane access-controlled corridor, the 29.6 km Dwarka Expressway, was developed at an estimated cost of INR 1 lakh crore (USD 12.04 billion) and was inaugurated in March 2024.
- As of August 2025, India had completed 10,660 km of national highways in FY25 and has set a target of constructing more than 10,000 km in FY26. The Ministry of Road Transport and Highways (MoRTH) plans to award projects worth INR 3 trillion (USD 33.97 billion), with 1,994 km already completed in FY25. Alongside these achievements, major expressway corridors and policy reforms are being advanced to strengthen national connectivity and accelerate infrastructure-led growth across the country.

Outlay for road under the respective Union Budgets



- As of August 2025, 29 National Highway projects spanning 272 km and involving an investment of over INR 5,233 crore (USD 592.57 million) were inaugurated in Andhra Pradesh by the Union Minister for Road Transport and Highways, Mr. Nitin Gadkari. These projects, which build upon the earlier set of 70 initiatives, are designed to enhance regional connectivity, lower transportation costs, eliminate accident-prone black spots and railway crossings, and improve last-mile access in rural and tribal regions.

7.7 Future Outlook

- Under the Parvatmala Pariyojana, the Government of India is advancing an ambitious ropeway development programme, with plans to implement more than 250 projects spanning over 1,200 km during FY23–FY28. This initiative, as highlighted by Union Minister

for Road Transport and Highways Mr. Nitin Gadkari, aims to strengthen connectivity in hilly and remote regions while promoting safer, faster, and more sustainable transport options.

- By April 2025, the National Highways Authority of India (NHAI) had awarded 501 Wayside Amenities (WSAs) across national highways and expressways, of which 94 were already operational. Looking ahead, the government aims to develop more than 700 WSAs by FY29 to enhance commuter convenience, safety, and service infrastructure along major corridors.
- Union Minister for Road Transport and Highways Mr. Nitin Gadkari has highlighted that India's aspiration to become a USD 5 trillion economy is closely tied to the development of world-class infrastructure, with the road sector serving as a critical enabler. The government's strategy focuses on expanding expressway networks, constructing advanced tunnel systems, and strengthening multimodal connectivity to support faster, safer, and more efficient transportation nationwide.
- Union Minister for Road Transport and Highways, Mr. Nitin Gadkari, stated that India is on course to surpass the United States in terms of road infrastructure quality, underscoring the economic benefits of an efficient transport network. He noted that the Ministry has received around 360 proposals for ropeway and cable car projects, collectively valued at approximately USD 7.93 billion. The Minister also called for greater international participation in more than 300 planned tunnel projects, emphasizing the need to manage construction costs in line with India's relatively low per capita income.
- Foreign Direct Investment (FDI) inflows into the construction development sector reached INR 1,36,460 crore (USD 27.21 billion) during the period from April 2000 to June 2025.
- India has outlined a major highway expansion programme, under which 25,000 km of existing two-lane corridors will be upgraded to four lanes at an estimated cost of INR 10,00,000 crore (USD 117 billion). In addition, another 16,000 km of four-lane highways are slated for widening into six-lane corridors, requiring an investment of INR 6,00,000 crore (USD 69.93 billion). Detailed project reports (DPRs) for these initiatives are currently under preparation, with construction expected to commence within the next two years, targeting a start by 2027.

Source:

1) https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&Noteld=154624&id=154624&utm_source=chatgpt.com®=3&lang=2

2) https://www.pib.gov.in/PressReleasePage.aspx?PRID=1993425&utm_source=chatgpt.com®=3&lang=2

3) <https://www.ibef.org/industry/roads-india>

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8. Basis of valuation

8.1 Base of valuation

- The base of valuation has been “Fair value” as of the Valuation Date.
- The definition of “Fair value” as per International Valuation Standards, 2025 (effective from 31 January 2025) (“IVS”) issued by the International Valuation Standards Council (“IVSC”), 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.
- Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.
- Valuation approaches and methods are as per “IVS 103 Valuation Approaches” which defines the approaches and methods for valuing an asset and provides guidance on the use of various valuation approaches and methods.

8.2 Premise of value

The premise of value refers to the conditions and circumstances of how an asset is deployed. As part of our analysis, we have considered the following assumption to be appropriate:

- Going-concern basis - 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 workforce, an operational unit, the necessary licenses, and procedures in place etc.
- As-is-where-is basis – considers the current use of the asset, which may or may not be its highest and best use.
- Principal market (or the most advantageous market) – Our measurement of value assumes that the transaction takes place in the principal market (or the most advantageous market)

9. Procedures Involved in the preparation of this Valuation Report

A summary of the procedures and processes undertaken by us to prepare this report is as follows:

- Analysis of past financials
 - Analysis of financial projections
 - Undertook industry analysis and research on publicly available market data including economic factors and industry trends that may impact the valuation
 - Identifying and analysing similar transactions and concluding if they are relevant or not based on the underlying characteristics of the business.
 - Identifying and analysing similar companies and concluding if they are relevant or not based on the underlying characteristics of the business.
 - Discussion (over a phone call/online meetings) with the Management to understand the business and fundamental factors that affect its production capability, including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
 - Analysis of principal agreements/documents etc
 - Selection of internationally accepted valuation methodologies as considered appropriate by us
 - Conducted site visit to assess the operating condition of the projects under the SPVs as per the requirements of SEBI (InvIT Regulations) 2014 (as amended).
 - This valuation report is based on documents provided by management and our secondary research and analysis.
-
- Information provided and assumptions used by management/others in developing projections

have been appropriately analysed, enquiries made regarding the basis of key assumptions in the context of the business being valued and the industry/economy.

10. Disclosure of Interest/ Conflict

We hereby certify that, to the best of our knowledge and belief that:

- We are not affiliated with the Client in any manner whatsoever.
- We do not have a prospective interest in the business which is the subject of this Report
- Details of services for the Client performed within five years immediately preceding acceptance of this engagement, as an appraiser or in any other capacity – Yes
- Our fee is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this Report.

11. Valuation Approach

The standard of value used in our analysis is fair value, which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

There are several commonly used and internationally accepted methods for determining the fair value of companies, which have been considered in the present case, to the extent relevant and applicable. Accordingly, we have carried out a valuation of the SPV as of 30 November 2025 with the market data cut-off date taken as 26 November 2025 based on Management representation.

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the SPV. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the SPV, and other factors which generally influence the valuation analysis.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasised that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature, and our reasonable judgment, in an independent and bona fide manner is based on our previous experience of assignments of a similar nature.

In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorised as follows:

11.1 Market Price (MP) Method

The market price of an equity share as quoted on a Stock Exchange is generally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

Equity shares of the SPV is not listed on any stock exchange. Hence, this method has not been considered for the purpose of valuation.

11.2 Comparable Companies Market Multiple ("CCM") Method

Under this method, the value of the equity shares of a company/ business undertaking is arrived at by using multiples derived from valuations of comparable companies, as apparent through 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 for the assessment of the value of the company.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. We have not considered the comparable companies method to value the SPV because listed companies have a mix of road projects that operate under diverse models (HAM, BOT, EPC etc.) with differing risk and revenue structures. Further, no suitable peers with comparable geographical location and project characteristics were available, making this approach inappropriate for a reliable valuation.

11.3 Comparable Companies Transaction Multiple ("CTM") Method

Under the CTM method, the value of the equity shares of a company/ business undertaking is arrived at by using the prices implied by reported transactions/ deals of comparable companies.

Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

We have not used comparable transactions multiples to value the SPV due to lack of availability of similar transactions along with complete data relating to premiums/discounts involved in such transactions which have taken place in the last 12-24 months. We believe that the older transactions are not relevant for our valuation considering share price movements and changes in the macro-economic situation in India. Also, transactions multiples as times tend to be biased due to premium which may be embedded in the price for strategic benefits and synergies which an acquirer may perceive in the SPV.

11.4 Net Asset Value (NAV) Method

The asset-based valuation technique is based on the value of the underlying net assets of the business either on a book value basis or realisable value basis or replacement cost basis. The cost approach assumes that a prudent investor would pay no more for an entity than the amount for which he could replace or re-create it or an asset with similar utility. Under a going-concern premise, the cost approach usually is best suited for use in valuing asset-intensive companies, such as investment or real estate holding companies, or companies with unstable or unpredictable earnings.

In the present case of valuing the SPV, we have not considered this method as the underlying earnings are fairly stable, and a going concern business plan has been provided by the Management.

11.5 Discounted Cash Flows (DCF) Method

Under the DCF method, the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that is available to all providers of the company's capital, both debt and equity.

Appropriate discount rate to be applied to cash flows, i.e., the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely, shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The value so computed by discounting the cash flows to the firm is adjusted for net borrowings, surplus assets, including investments, minority interests, equity instruments granted as part of the share-based payment, and other matters to arrive at an aggregate equity value of the company.

In the present case, we have been provided with the financial projections of the SPV. As such, we have considered this method for valuing the SPV.

12. Valuation Analysis

12.1 Discounted Cash Flow Method (Free Cash Flows to Firm):

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the SPV and available to the capital providers in the SPV have been estimated based on projected financial information provided by the Management. Projections provided by the Management are only the best estimates of SPV's growth and sustainability of profitability margins. Although we have reviewed the financial forecast provided by the Management for consistency and reasonableness, we have not specifically validated these financial projections and have relied on the estimates provided by the Management.

Appropriate discount rate to be applied to cash flows i.e., the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of SPV. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Arriving at equity value from enterprise value:

The fair value basis of equity of the SPV for this purpose has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. As explained above, we have given 100% weightage to the DCF methodology to arrive at the equity value of the SPV.

12.2 The key assumptions under the DCF Method:

For the DCF analysis, we have relied on the projected financials of the SPV provided by the Management based on their best estimates on the growth and sustainability of profitability margins of the SPV. Please note that though we have reviewed the financial forecast provided by the Management for consistency and reasonableness based on data available in public domain, we have not independently investigated or otherwise verified the data and key inputs estimated by the Management for SPV. Nothing has come to our attention to indicate that the information provided by the Management had material misstatements or would not afford reasonable grounds upon which to base our Report. The Free Cash Flows to Firm ("FCFF") have been calculated for SPV as on the Valuation Date based on the Financial Projections.

The key assumptions and the basis for the valuation are explained in detail below:

Discounting Factor

The discount rate considered for arriving at the present value of the free cash flows to the firm is the

Weighted Average Cost of Capital (“WACC”). The WACC for the SPV as on the Valuation Date is derived as follows:

WACC	=	$Ke * (E/(D + E)) + Kd * (1-T) * (D/(D + E))$
Ke	=	cost of equity
E	=	market value of equity
Kd	=	cost of debt
D	=	market value of debt
T	=	corporate taxation rate

Cost of Equity (“ke”)

The cost of equity (“Ke”) has been derived using the capital asset pricing model (“CAPM”) as follows:

Ke	=	$R(f) + \beta * (R(m) - R(f)) + \alpha$
R(f)	=	the current return on risk-free assets
R(m)	=	the projected average return of the market
$(R(m) - R(f))$	=	the average risk premium above the risk-free rate that a “market” portfolio of assets is earning
β	=	the beta factor, being the measure of the systematic risk of a particular asset relative to the risk of a portfolio of all risky assets
α	=	Company-specific risk

Cost of Equity is estimated using the following factors:

- Risk Free Return (rf) – The nominal risk-free rate of return has been derived with reference to 10-year benchmark Government of India Securities (rounded) as on 30 November 2025. Based on such yield rate, a risk-free rate of 6.7 per cent per annum has been considered as of 21 November 2025 as risk free rate as of 30 November 2025 was not available. (Source: FBIL).
- Beta (β) – Beta has been computed by re-levering the average asset beta of comparable companies. Beta has been considered based on 5 year monthly trailing Beta of comparable companies, relevered for SPV specific debt to equity ratio and effective taxes. Refer to Annexure 15.4, Annexure III for a list of comparable companies.
- Debt to Equity Ratio (DER) – The DER of peers may vary owing to difference in the stage of operations and maturity of road assets. Accordingly, DER of 233.33% was concluded based on Management input for debt-to-equity ratio of SPV over the projected period.
- Income Tax – Effective tax rate has been applied after considering tax holiday benefits (if any) and applicable MAT credit (if any) in the projected period as represented to us by the Management for SPV.
- Equity Risk Premium ($R(m) - R(f)$) reflects the difference between the expected market rate of return and the risk-free rate. Thus, the equity risk premium ($R(m) - R(f)$) is estimated as of 30 November 2025 to be 7 per cent.
- Alpha - Alpha premium for the SPV is based on the valuer’s assessment of idiosyncratic risks. Idiosyncratic risks considered are combination of operational parameters like

construction phase and credit parameters like credit rating. For the current exercise we have not considered alpha in the assessment of the cost of equity as the project operates under the HAM framework, construction is complete, and the SPV is expected to earn fixed annuity revenues with a small O&M component in accordance with the contractual terms.

Cost of Debt (“kd”)

Marginal cost of raising debt for the SPV is considered based on Management input. The SPV is expected to AAA-rated asset upon receipt of annuity. The Trust, being an AAA-rated asset, recently raised non-convertible debentures at 7.35%.

Post-tax cost of debt was arrived at by multiplying the pre-tax cost of debt by (1-Tax rate). The post-tax cost of debt based on above is 5.5 per cent.

Other notes

The mid-year convention has been considered appropriate for arriving at the present value of free cash flows.

Management has represented that the probability of devolvement of contingent liabilities is insignificant and accordingly no adjustment was required to be carried out in the valuation of the SPV.

13. Valuation of the SPV: VM7 Expressway Private Limited

13.1 Key Inputs in Projections:

The key inputs of the projections provided by the Management supported by Concession Agreement with NHAI as follows:

a) Revenue

The Company will receive biannual annuity payments as per the fixed schedule prescribed by the Authority, with annuity percentages predefined for all 30 periods—starting from approximately 2.17% to 2.65% in the initial years and gradually increasing to around 4.75% in the later years. Each instalment will be paid along with interest, linked to RBI Bank rate plus 3% (in accordance with the provisions of the Concession agreement).

Separately, the Authority will provide biannual O&M payments based on the first-year O&M payment of INR 8.10 crore, adjusted for the applicable Price Index Multiple, with these payments disbursed semi-annually and revised annually in line with the prevailing price index in accordance with the provisions of Concession agreement. The above payment structure has been reflected in the business plan provided by the management.

b) Periodic Maintenance & Routine Maintenance Costs

The Management is proposing to enter into fixed price contract with the Project manager (IRBIDL) which includes routine and periodic maintenance over the life of concession.

13.2 DCF Method:

- a) The key assumptions and other key inputs, mentioned on the previous paragraphs, as provided by the Management are considered in the projections.
- b) The projections provided by the Management, based on the Concession agreement, are only the best estimates of growth and sustainability of profitability margins. The financial forecast provided by the Management were reviewed for consistency and reasonableness and have relied on them.

- c) The explicit period has been considered from 01 December 2025 to 31 May 2040.
d) The tax has been calculated at EBIT level as per the provisions of the Income Tax Act, 1961
e) The assumptions for Weighted average cost of capital is as follows:

WACC calculation		Basis
Risk free rate of return	6.7%	10yrs ZCYC as at 21 November 2025
Equity risk premium	7.0%	Incwert Analysis
Beta	0.7	Peer median of 5yr monthly beta
Alpha	-	Valuer judgement
Cost of Equity	11.2%	
Cost of Debt	7.35%	Management input
Tax Rate	25.2%	Rates as per IT Act as applicable here
After Tax Cost of Debt	5.5%	
Debt/Equity	233.3%	Management input
Debt to Capital %	70.0%	
Equity to Capital %	30.0%	
Weighted Average Cost of Capital	7.2%	
<i>Marginal tax rate</i>	<i>25.2%</i>	<i>Marginal tax rates as per IT applicable</i>

- f) The Equity Value of VM7 as on 30 November 2025 is arrived at INR 5,494.9 million

Discounted cash flow								
	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
INR million	4mths	12mths	12mths	12mths	12mths	12mths	12mths	12mths
Total revenue	793.2	1,592.4	1,578.9	1,562.6	1,546.1	1,527.7	1,508.9	1,487.7
yoy growth	n/a	n/m	-0.8%	-1.0%	-1.1%	-1.2%	-1.2%	-1.4%
EBITDA	705.8	1,476.3	1,458.3	1,434.1	1,385.3	1,390.0	1,370.6	1,345.1
EBITDA margin	89.0%	92.7%	92.4%	91.8%	89.6%	91.0%	90.8%	90.4%
Amortisation	2,457.3	1,843.0	1,382.2	1,036.7	777.5	583.1	437.4	328.0
EBIT	(1,751.5)	(366.7)	76.0	397.4	607.8	806.8	933.3	1,017.0
EBIT margin	-220.8%	-23.0%	4.8%	25.4%	39.3%	52.8%	61.9%	68.4%
Less: tax on EBIT	-	-	-	-	-	-	(180.5)	(256.5)
Change in working capital (GST adjustment)	106.3	210.0	202.7	194.9	186.6	177.7	168.3	158.2
Capex	-	-	-	-	-	-	-	-
Free cash flows to the Firm	812.1	1,686.3	1,661.0	1,629.0	1,571.9	1,567.7	1,358.4	1,246.8
Time period	0.33	1.33	2.33	3.33	4.33	5.33	6.33	7.33
Discounting period (mid-period)	0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83
Discount factor	0.99	0.94	0.88	0.82	0.77	0.71	0.67	0.62
Present value of cash flows as at 30 November 2025	802.7	1591.1	1461.6	1336.9	1203.1	1119.0	904.3	774.1

Discounted cash flow								
	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041
INR million	12mths	12mths	12mths	12mths	12mths	12mths	12mths	2mths
Total revenue	1,465.4	1,441.5	1,416.3	1,387.7	1,351.5	1,293.9	1,286.1	609.2
yoy growth	-1.5%	-1.6%	-1.8%	-2.0%	-2.6%	-4.3%	-0.6%	n/m
EBITDA	1,318.3	1,285.6	1,222.1	1,222.7	1,186.7	1,124.6	1,126.0	595.0
EBITDA margin	90.0%	89.2%	86.3%	88.1%	87.8%	86.9%	87.6%	97.7%
Amortisation	246.0	184.5	138.4	103.8	77.8	58.4	43.8	32.8
EBIT	1,072.2	1,101.1	1,083.7	1,118.9	1,108.8	1,066.2	1,082.3	562.1
EBIT margin	73.2%	76.4%	76.5%	80.6%	82.0%	82.4%	84.1%	92.3%
Less: tax on EBIT	(270.4)	(277.6)	(273.3)	(282.1)	(279.1)	(268.3)	(272.4)	(141.5)
Change in working capital (GST adjustment)	93.4	(3.5)	1.5	(5.8)	(7.7)	(8.1)	(13.1)	(18.5)
Capex	-	-	-	-	-	-	-	-
Free cash flows to the Firm	1,141.3	1,004.5	950.3	934.8	899.9	848.2	840.5	435.0
Time period	8.33	9.33	10.33	11.33	12.33	13.33	14.33	14.50
Discounting period (mid-period)	7.83	8.83	9.83	10.83	11.83	12.83	13.83	14.42
Discount factor	0.58	0.54	0.50	0.47	0.44	0.41	0.38	0.37
Present value of cash flows as at 30 November 2025	660.8	542.4	478.6	439.1	394.2	346.5	320.2	159.1

Valuation Conclusion

INR million

Present value of cash flows	12,533.8
Present value of terminal value	n/a
Enterprise value	12,533.8
Less: Debt	(7,042.1)
Less: Debt like items	-
Add: Cash & cash equivalents	0.1
Add: Investments & other surplus assets	3.0
Value of 100% interest in equity	5,494.9

Note:

- 1) Mid-year convention in arriving at the present value of free cash flows is considered appropriate.
- 2) As per Management, the business plan has been prepared on a cash basis; therefore, changes in working capital will not result in separate cash flows, as these are already reflected within the business plan.
- 3) Changes in working capital primarily include net cash flows from GST input and output liability.
- 4) Debt includes Indian rupee loans from banks and financial institutions.
- 5) Management has represented a sub-debt of INR 3,348.9 million forming part of subordinate debt under equity and an unsecured loan of INR 1,097.8 million from its subsidiary companies on the provisional balance sheet of the SPV as on 30 November 2025 are quasi-equity and hence have not been included in the debt but rather classified as equity.
- 6) Investments and other surplus assets include advance income tax.
- 7) There are no contingent liabilities in the books as on the Valuation Date.
- 8) In the present case, considering that HAM assets are finite life assets, the terminal value concept cannot be applied at the end of the concession period. Accordingly, only projected free cash flows over the life of the asset, as governed by the concession period, have been considered for computing the present value of future cash flows.
- 9) Based on the Management input, the D/E ratio has been considered as 233.3 per cent (implying a debt to capital ratio of 70%).

Source: Management business plan; Management information; Provisional financials as of 30 November 2025; Incwert analysis; Proprietary database and other publicly available information.

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14. Conclusion

- Based on the foregoing, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we have computed the following value:
 - Fair market value of 100% interest in equity of VM7 Expressway Private Limited as of 30 November 2025 is determined to be **INR 5,494.9 million.**

Valuation summary of VM7 Expressway Private Limited

Approach	Method	Equity value		Weighted average
		(INR million)	Weights	Equity value (INR million)
Income approach	Discounted cash flow	5,494.9	100%	5,494.9
Market approach	Comparable company multiple	n/a	n/a	n/a
Market approach	Comparable transaction multiple	n/a	n/a	n/a
Value of 100% interest in equity				5,494.9

Note:

- We have not considered the comparable companies' method to value the SPV because listed companies have mix of road projects that operate under diverse models (HAM, BOT, EPC etc.) with differing risk and revenue structures. Further, no suitable peers with comparable geographical location and project characteristics were available, making this approach inappropriate for a reliable valuation.
- We have not used comparable transactions multiples to value the Target due to lack of availability of similar transactions along with complete data relating to premiums/discounts involved in such transactions which have taken place in the last 12-24 months.
- As represented by the Management, the market data cut-off date is taken as 26 November 2025.

Source - Management information; Publicly available information; proprietary databases and Incwert analysis.

Respectfully submitted,

For Incwert Advisory Private Limited

Registered Valuer Entity under Companies (Registered Valuers and Valuation) Rules, 2017

IBBI Registration No. IBBI/RV-E/05/2019/108

Asset class: Securities or Financial Assets

Punit Khandelwal

Director and Registered Valuer under Companies (Registered Valuers and Valuation) Rules, 2017

IBBI Registration No. IBBI/RV/05/2019/11375

Asset class: Securities or Financial Assets

15. Annexures

Additional procedures to be complied with in accordance with SEBI InvIT Regulations

List of Disclosures

Additional procedures to be complied with in accordance with SEBI InvIT regulations as per Schedule V of the SEBI InvIT Regulations:

- a) List of one-time sanctions/approvals which are obtained or pending, along with up to date/overdue periodic clearances

As given by the Management, the following are the one-time sanctions/approvals :

Sr. No.	Approval / License / Registration	Reference / No.	Validity
1	Factory License – Kanbad Plant	Licence No. 52258	31.12.2026
2	Consent to Establish (GPCB) – Kanbad Plant	Order No. 2478 dated 19.04.2022	31.12.2028
3	Consent to Operate (GPCB) – Kanbad Plant	Consent Order AW-54885	31.03.2027
4	Contract Labour License	Licence No. CLRA/RLCVADODARA/2021/L-443	12.12.2026
5	BOCW Registration	Registration No. BOCW/RLCVADODARA/2022/R-13 dated 31.01.2022	Active
6	Employee Compensation Policy	Policy No. 215064/48/25/000294	30.01.2026
7	Petroleum Explosive License	Licence No. P/WB/GJ/14/7985 (P532563)	31.12.2025

- b) Statement of assets

Management has represented that all assets and liabilities of the SPV till the date of transfer of assets to InvIT would be taken over by the Trust.

- c) Estimates of already carried as well as proposed major repairs & improvements

Management has informed that the Company proposes to enter into fixed price project implementation agreement with the Project Manager which includes routine and periodic maintenance costs.

Future estimate of major repairs and improvements as on the Valuation Date

The costs below include routine, periodic and operational costs:

Future estimates of major repairs and improvements as on the valuation date								
	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
	10mths	12mths	12mths	12mths	12mths	12mths	12mths	12mths
INR Million	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	109.7	126.3	129.7	138.3	171.5	155.2	151.3	155.7

Future estimates of major repairs and improvements as on the valuation date								
	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041
	12mths	12mths	12mths	12mths	12mths	12mths	12mths	2mths
INR Million	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	161.0	170.4	209.8	188.6	182.7	187.1	178.9	29.5

Notes:

a) The cost includes GST at 18%.

b) The cost also includes the amount pertaining to routine and periodic maintenance.

- d) Revenue pendencies including local authority taxes associated with InvIT asset & compounding charges

Management has represented that there are no revenue pendencies including local authority taxes pending to be payable to the Government authorities with respect to SPV.

- e) On-going material litigations including tax disputes in relation to the assets

As represented by the Management, there are no material litigation.

- f) Vulnerability to natural to induced hazards that may not have been covered in town planning/building control

Management has represented that there are no such natural or induced hazards which have been not considered in town planning/building control with respect to the SPV.

- g) Site Visit Photographs

Site visit of the SPV was conducted. Photographs taken during the site visit have been included in earlier sections in the Report.

Caveat to Disclosures in Annexures:

The Valuer has not independently verified the documents related to the disclosures mentioned in the Annexures and have relied on the representation by the Management for the same.

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15.1 Valuer Profile

Valuer Details	
Name of Registered Valuer	Incwert Advisory Private Limited
Signing Partner	Punit Khandelwal - Director, Incwert Advisory Private Limited
Contact details	Cell: +91 9820138274 Direct no: +91 124-4362995 Email id: punitk@incwert.com Website: www.incwert.com
Registration Details	IBBI Registration No: IBBI/RV-E/05/2019/108 Asset class: Securities or Financial Assets
Brief details of Valuer	Incwert Advisory Private Limited is an Indian private limited company registered under the Companies Act, 2013, with CIN U74999HR2018PTC075916 and with registered office located at 1006 A&B, 10th floor, Welldone TechPark, Sohna Road, Sector-48, Gurgaon - 122018
Brief experience summary	Incwert Advisory Private Limited - Registered valuer entity - from 2019, having experience of ~6 years Incwert Advisory Private Limited has provided valuation advisory services for financial reporting, restructuring, purchase price allocation, and various regulatory compliances among others. The Engagement Partner, Punit Khandelwal, is a registered valuer since 2019 with an overall experience of more than 21 years and has worked across a range of sectors such as automobiles, banking and financial services, education, ITES, healthcare, industrials, retail, infrastructure, utilities, textiles and several other sectors. He has advised clients with their valuation needs across key strategic purposes such as transactions, fundraising, corporate restructuring, and financial reporting and regulatory purposes among others.

15.2 Annexure I VM7 – Table 1: List of one-time sanctions/approvals

Nil

15.3 Annexure II VM7 – Table 2 List of ongoing material litigations or litigations where financial implication cannot be ascertained:

Nil

15.4 Annexure III – Comparable companies' description

List of comparable companies

MEP Infrastructure Developers Limited
Bharat Road Network Limited
Sadbhav Engineering Limited
Dilip Buildcon Limited
H.G. Infra Engineering Limited

15.5 Other disclosures as required under SEBI InvIT Regulations

- 1) In terms of the SEBI InvIT Regulations, we hereby confirm that:
 - a) We are competent to undertake the valuation.
 - b) We are independent and have prepared this Report on fair and unbiased basis.

- c) The Valuation has been performed as per internationally accepted valuation methodologies and in cognizance of international valuation standards and ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India.
 - d) Incwert is not affiliated to the Client in any manner whatsoever. Further Incwert does not have a prospective interest in the Targets which is the subject of this Valuation and Incwert's fee is not contingent on an action or event resulting from the analysis, opinions or conclusions in the Valuation.
- 2) Purchase price of the project by the InvIT: Not Applicable as acquisition is not yet completed

15.6 Annexure IV – Parties to the InvIT

- a) IRB InvIT Fund (“the Trust”)
- b) IRB Infrastructure Developers Limited (in its capacity as “Sponsor” of the Trust)
- c) IRB Infrastructure Private Limited (in its capacity as “Investment Manager” of the Trust)
- d) IDBI Trusteeship Services Limited (as the “Trustee” of the Trust)

*****END OF REPORT*****



IRB Infrastructure Private Limited,
Investment Manager to IRB InvIT Fund.

FINAL REPORT

Evaluating O&M Cost for VM-7, HAM

LEA Associates South Asia Pvt. Ltd.
New Delhi, India

December, 2025

Doc No	Rev	Date	Prepared By	Verified By
VM-7HAM/12/2025	0	01/12/2025	<i>Santosh Kumar</i>	<i>Shingund</i>



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1 BACKGROUND

1.1 PROJECT DESCRIPTION

IRB Infrastructure Private Limited, Investment Manager to IRB InvIT Fund, has issued a work order to LEA Associates South Asia Pvt. Ltd. (LASA) to evaluate O&M Cost of the project.

This report in hand is the output of the Technical Consultancy Services to determine the O&M cost for VM7HAM project.

1.2 OBJECTIVE AND SCOPE OF TECHNICAL CONSULTANCY SERVICES

As per the Scope of the work, the consultant should carry out O&M cost for the following Project.

Sr. NO	ABBREVIATIONS	NAME OF PROJECT IN DETAILS	LENGTH
1	VM7HAM	Construction of Eight lane Access Controlled Eexpressway from km 190.000 To km 217.500 of Vadodara Mumbai Expressway (Gandeva to Ena Section) in the state of Gujarat under Bharatmala Pariyojana (Phase I-Package VII) On Hybrid Annuity Basis ".	27.50 Km

2 PROJECT DATA

2.1 EXECUTIVE SUMMARY

The project is a green field project, falls under Vadodara – Mumbai section of Delhi – Mumbai Expressway Project and is Package VII of Phase – I, starting from Km 190.000 (Village Gandeva in Navsari District) and ends at Km 217.500 (Village Ena in Surat District). Latitude and longitude of the project corridor lies between 20° 51' 45.7", 73° 4' 27.3" And 21° 6' 21.7", 73° 2' 27.8". The project corridor falls in Gujarat State and passes through two districts (Surat & Navsari) of Gujarat. Corridor length in Navsari District is 14.487 Kms (From Km 190.000 to Km 204.487) and in Surat District is 13.013 Kms (from Km 204.487 to Km 217.500).

The alignment in this section crosses some important rivers, irrigation canals and State Highways. Suitable structures are provided at locations of these to ensure unhindered and unobstructed working without conflicts.

IRB Infrastructure Developers Limited was the successful bidder who formed VM7 Expressway Private Limited as Special Purpose Vehicle (SPV) for development of project corridor under the Concession Agreement signed between SPV and the NHAI dated 15th September, 2020.

The Independent Engineer vide their letter no. 5393 dated 25th August 2025 has issued the Provisional Completion Certificate for the project, effective from 31st May 2025.

The balance pending works constitute only ~0.13% of the total contract cost, with all major structures, pavement, and bridge components are completed. Testing milestones were successfully achieved in July 2025, confirming that the project is technically and physically aligned for declaration of Commercial Operation Date (COD).

In accordance with the provisions of the Concession Agreement, the SPV becomes eligible to receive annuity payments from NHAI starting from the PCOD date, i.e., 31st May 2025. The first annuity payment, calculated at 180 days from COD, becomes due on 27th November 2025.

a) Project Location

Whole of the project corridor falls in Gujarat State and passes through two districts (Suart & Navsari) of Gujarat. The alignment passing through Village Gandeva, Matvad, Kambada, Kanbad, Butlav, Sarpur, Toli, Ambada, Ugat, Sahu, Vachharvad&Kurel in Navsari District and VilageChhitra, Kuvadiya,Tarbhon, PardiVagha, Naugama, Bhuvasan, Nint, Puni, Amalsadi, Vanzoliya, Gotiya&Ena in Surat District of Gujarat. Corridor length in Navsari District is 14.487 Kms (From Km 190.000 to Km 204.487) and in Surat District is 13.013 Kms (from Km 204.487 to Km 217.500).

The Expressway alignment runs almost parallel to existing NH 8 on East side and the terrain of project corridor is plain. The Project corridor intersect the NH 6 (at Km 76+800 of NH 6) near village Ena of Surat District at Km 217+004.

b) Climates and Environment

Navsari and Surat experiences tropical wet and dry climate, moderated strongly by the Arabian Sea. The summer begins in early March and lasts till June. April is the hottest month, the average temperature being 30°C. The monsoon begins in late June and the city receives about 800 mm of rain by the end of September, with the average temperature being around 28°C during those months. October and November see the retreat of the monsoon and a return of high temperatures till late November. Winter starts in December.

c) Right of Way

Since the project is a greenfield alignment, there is no Existing ROW. The Proposed ROW varies from 100 m to 120 m except at Interchange location where ROW will be as per design. In addition to above additional land available for Truck parking, WSA, Interchanges and VOP cross roads.

2.1.1 Overall road Condition

Road condition	LHS	RHS
Satisfactory Road Condition	27.50	27.50
Poor Road Condition	-	-
Total length of project	27.50	27.50

2.1.2 Key Maintenance Activities Undertaken

Asset	Maintenance activities undertaken
Pavement	Maintenance work under progress as accordance with Article 17
Shoulder	Maintenance work under progress as accordance with Article 17
Drainage Median	Maintenance work under progress as accordance with Article 17
Road Furniture	Maintenance work under progress as accordance with Article 17
Bridge	Maintenance work under progress as accordance with Article 17
Buildings	GandevaToll Plaza/Building are operational, and all the Lanes are in FASTag mode.
Horticulture (Median Plantation)	Maintenance work under progress as accordance with Article 17
Incident Management	Incident Management works are carried out accordance with Article 20.

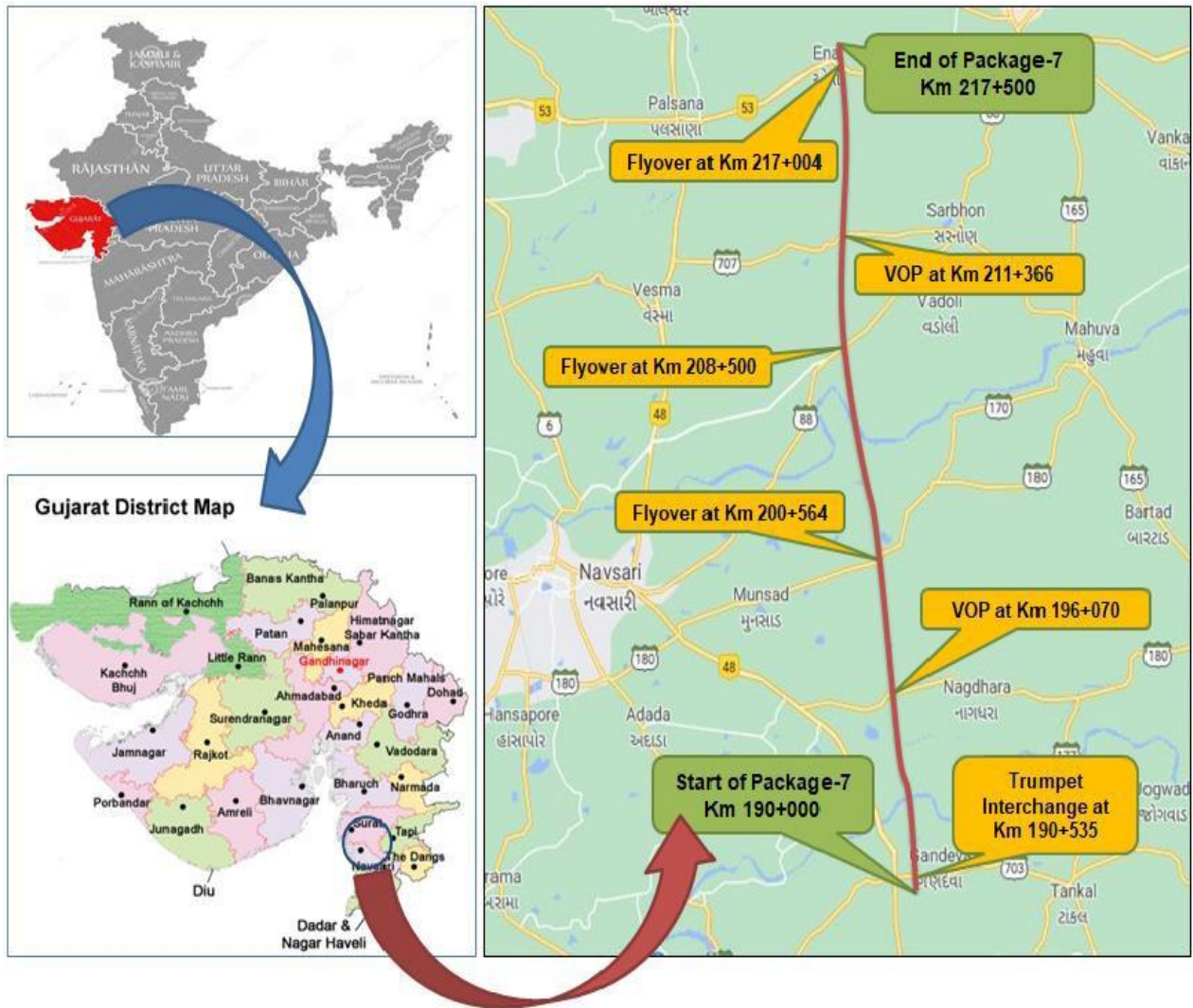
2.2 PROJECT OVERVIEW

2.2.1 Key project details

1	Project Name	Construction of Eight lane Access Controlled Expressway from km 190.000 To km 217.500 of Vadodara Mumbai Expressway (Gandeva to Ena Section) in the state of Gujarat under Bharatmala Pariyojana (Phase I-Package VII).
2	Authority	National Highways Authority of India
3	Mode of the Execution (BOT Toll / BOT Annuity / EPC / HAM / Item Rate / Others)	Hybrid Annuity Mode(HAM)
4	No. of Lanes	Eight Lane(8Lane)
5	Completed Length of the Project (in Km)	27.50 km. has been completed. (PCOD issued for 25.07km as on 31.05.2025; remaining 2.43km is under process with NHA.)
6	Delinked Length of the Project (in Km)	Nil
7	Concessionaire/Contractor	M/s. VM7 Expressway Private Limited
8	Date of Award (LOA Date)	31 st July 2020
9	Appointed Date	9 th November 2021
10	Commercial Operation Date (COD)	31 st May 2025
11	Concession Period	730 days of Construction Period plus 15 (Fifteen) years of operation period from COD

Evaluating O&M Cost for Eight lane Access Controlled Expressway from km 190.000 to km 217.500 of Vadodara- Mumbai (Phase I-Package VII) Hybrid Annuity Basis

2.2.2 Location Map



3 THE SCOPE OF WORKS AND PROJECT FACILITIES

3.1 GENERAL

The Schedule B of the Concession Agreement describes the Scope of Work involved in development of the Highway and Schedule C gives the details of facilities to be provided as part of the project development. These details are extracted and presented below for VM7HAM project.

3.2 SCOPE OF WORKS

3.2.1 Scope of Work of VM7HAM (as per Schedule –B and Schedule-C of the CA)

Name of Project: Construction of Eight lane Access Controlled Expressway from km 190.000 To km 217.500 of Vadodara Mumbai Expressway (Gandeva to Ena Section) in the state of Gujarat under Bharatmala Pariyojana (Phase I-Package VII).

	From	To	Length
Project Chainage	190.000	217.500	27.500
Design Chainage	190.000	217.500	27.500

PROJECT DETAILS

Sr. No.	Description	Unit	Proposed Facilities (As per Schedule B & C)
1	Main Carriageway	Km	27.500
2	Loops / Ramps for each interchange	Km	3.065
3	Crossroad at VOP location	Km	2.200
4	Connecting Roads	Km.	2.670
5	Major Interchange	Nos.	1
6	Flyover	Nos.	03
7	Vehicular Underpass (VUP)	Nos.	02
8	Vehicular Overpass (VOP)	Nos.	02
9	Light Vehicular Underpass (LVUP)	Nos.	13
10	Small Vehicular Underpass (SVUP)	Nos.	10
11	Major Bridge	Nos.	05
12	Minor Bridge	Nos.	12
13	Box Culvert	Nos.	85
14	Toll Plaza	Nos.	01
15	Way side Amenities / Service Area	Nos.	04 (Descoped)

Evaluating O&M Cost for Eight lane Access Controlled Expressway from km 190.000 to km 217.500 of Vadodara- Mumbai (Phase I-Package VII) Hybrid Annuity Basis

3.2.1.1 Photographs of VM7HAM project



4 ESTIMATION OF O&M COST

4.1 ESTIMATION AND RATE ANALYSIS OF O&M COST

The rate analysis is based on MORTH's standard data book format. Equipment hire charges, other Material and Labour rates are taken from schedule of rates of National Highway Circle applicable to respective state for the year 2023-24. The applicable lead for the plant-to-site lead has been applied for both concrete mix materials and bituminous mix materials.

Operation and maintenance cost has been worked out based on MoRT&H Report of the Committee on Norms for Maintenance of Roads in India' and experience of other ongoing projects. Accordingly, the details of Routine and Periodic Maintenance cost have been worked out for VM7 project.

4.2 OPERATION & MAINTENANCE COST

The operation & maintenance cost (routine and periodic) worked out by the Company is to the tune of INR 244.57 Crore including GST @ 18%. The details of Routine and Periodic Maintenance cost worked out by the Company is presented in the table below.

Table 4-1: Details of O&M Cost by the Company

Sl. No.	Year	Operation & Maintenance cost Amount (Rs. In Crore)
1	2025-26*	10.97
2	2026-27	12.63
3	2027-28	12.97
4	2028-29	13.83
5	2029-30	17.15
6	2030-31	15.52
7	2031-32	15.13
8	2032-33	15.57
9	2033-34	16.10
10	2034-35	17.04
11	2035-36	20.98
12	2036-37	18.86
13	2037-38	18.27
14	2038-39	18.71
15	2039-40	17.89
16	2040-41**	2.95
TOTAL O&M COST (Including 18% GST)		244.57

* Operation period commences from 1st June, 2025

** Concession end date: 31th May, 2040

Evaluating O&M Cost for Eight lane Access Controlled Expressway
from km 190.000 to km 217.500 of Vadodara- Mumbai
(Phase I-Package VII) Hybrid Annuity Basis

Based on norms for Maintenance of roads in India and experience on similar projects, the LASA's tentative cost works out to INR **251.46** Crores including 18% GST.

LASA's O&M cost is higher than the company cost which might be because of the reason that they have determined the Routine Maintenance and Periodic Maintenance cost based on their past experience, whereas LASA has followed norms for Maintenance of roads in India and experience on similar projects.

In view of the foregoing, the O&M cost as considered by the Company is found to be reasonable and in line with the market trends.

