



SADBHAV INFRASTRUCTURE PROJECT LIMITED (SIPL)

**Transaction for Sale of
Assets and Entering in to
Partnership with IndInfravit**

July 1, 2019

SIPL Enters into a Landmark Transaction with IndInfraVIT for Sale of 100% Stake in 9⁽¹⁾ Road Projects

Morgan Stanley was the exclusive financial advisor to SIPL and SEL; Inga Advisors was advisor to the Promoters of Sadbhav Group

1 Sale of 9 Assets⁽¹⁾ to IndInfraVIT Trust for Enterprise Value of INR 66.1 Bn^(2,3) leading to de-consolidation of net debt of INR 40.6 Bn

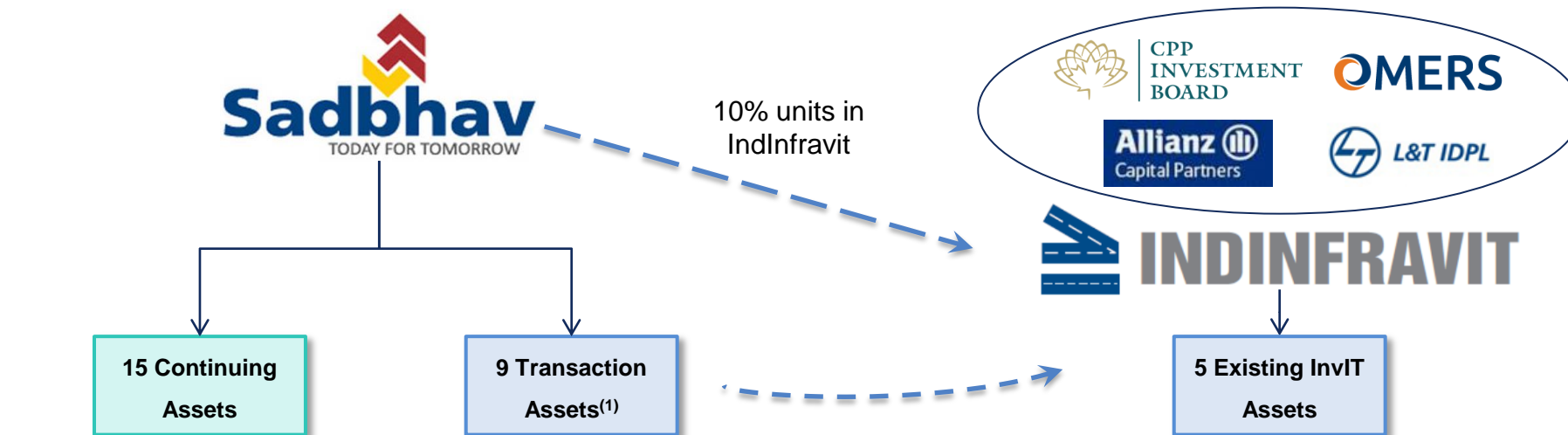
2 Equity Value of INR 25.5 Bn^(2,3) against Equity investment of INR 15.0⁽²⁾ Bn (c.1.7x)
Consideration split into 10% of IndInfraVIT units and c.INR 19 Bn cash

3 Partnership with Best-in-Class Roads Platform and its Marquee Investors

4 ROFO option to IndInfraVIT in respect of all future operational assets of SIPL

5 SIPL to continue routine and major maintenance of 9 assets (INR 40 Bn contract for remaining concession period)

6 SIPL to get Project Management fees (linked to toll collections) for 9 transaction assets



Notes

1. MBHPL is currently held by Sadbhav Engineering Limited (SEL), SIPL's parent company
2. Includes value for 23% stake of minority shareholder in BHTPL (INR 0.7 Bn) and shareholder loans
3. Subject to certain adjustments in accordance with definitive agreements.

Transaction Highlights

Overview

- Purchase consideration of INR 25.5 Bn⁽¹⁾ for 9 assets⁽²⁾, split into units (10% of units of IndInfravit) and c.INR 19 Bn in cash
- SIPL to continue routine maintenance and major maintenance (INR 40 Bn contract for remaining concession period)
- SIPL to get Project Management fees (linked to toll collections)
- Additional upside from car revenues from ARRIL, extension of concession period for AJTL and claims from the transaction assets
- Approvals required for closing
 - Shareholder / unitholder approvals of SIPL and IndInfravit
 - The transaction is conditional upon the approval by NHAI / state authorities and lenders
 - Also subject to other customary conditions including IndInfravit capital raise

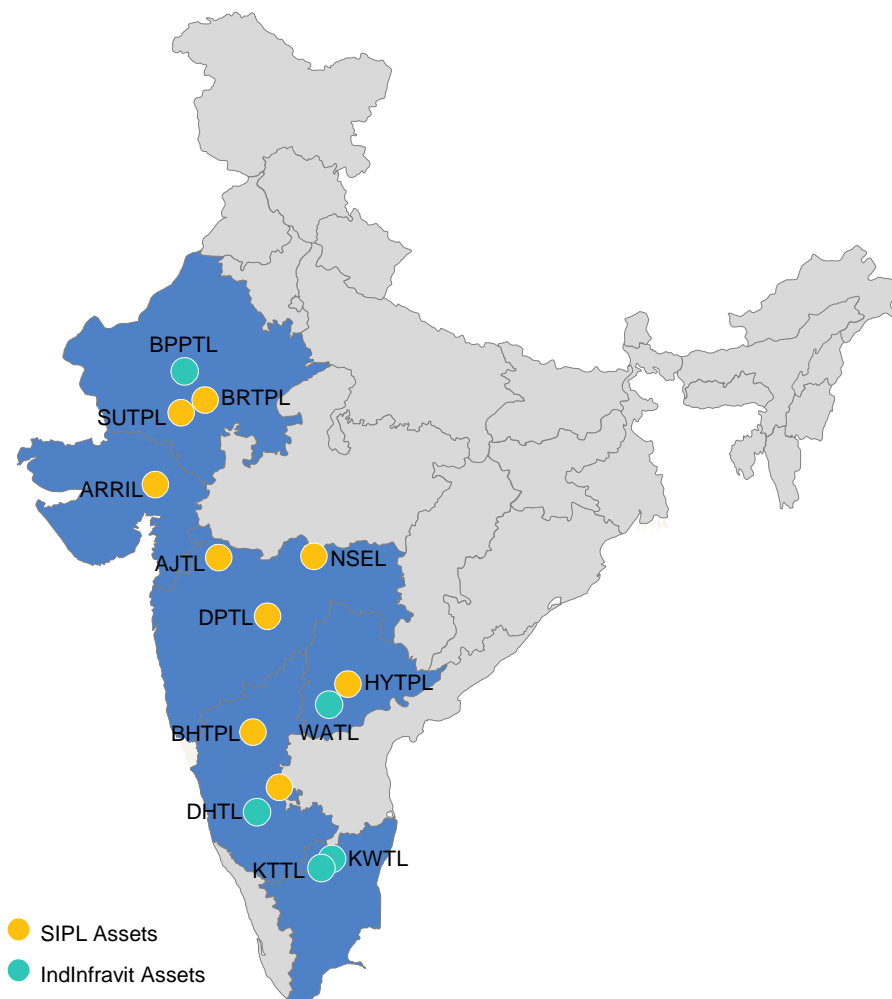
Transaction Rationale

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|---|--|
| 1 ROFO option to IndInfravit in respect of all future operational assets | 2 Deleveraging the balance sheet: De-consolidation of net debt by INR 40.6 Bn |
| 3 Partnership with Global Investors with enhanced access to capital | 4 Superior Liquidity: SIPL will be in a stronger position to deploy capital for future BOT, HAM and TOT assets |

Notes

1. Includes value for 23% stake of minority shareholder in BHTPL (INR 0.7 Bn) and shareholder loans; subject to certain adjustments in accordance with definitive agreements
2. MBHPL is currently held by Sadbhav Engineering Limited, SIPL's parent company
3. SIPL has entered into a **ROFO agreement** with IndInfravit for all existing and future assets

Geographically Diversified Assets



SIPL Asset Overview

Transaction Assets

9 Projects ⁽¹⁾ (7 Toll + 2 Annuity)	750 km (c. 2,600 lane km)	INR 9.1 Bn FY19 Revenue	INR 7.9 Bn FY19 EBITDA	INR 66.1 Bn ^(2,3) Enterprise Value	INR 25.5 Bn ^(2,3) Equity Value
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- Equity value to be paid as c.INR 19 Bn in cash and 10% units in IndInfravit

Continuing Assets (3 Operational BOT Assets)

MBCPNL 24 Check Posts Balance Concession: 14.4 Years	RPTPL + RHTPL 180 km (720 lane km) Balance Concession: 16.6 Years	INR 4.1 Bn FY19 Revenue	INR 3.2 Bn FY19 EBITDA	INR 30.2 Bn FY19 Debt	INR 8.4 Bn FY19 Equity invested
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Continuing Assets (12 HAM Assets)

660 km (c. 2,450 lane km)	INR 109 Bn Project Cost	c. INR 4.3 Bn Equity Invested	8 projects under-construction	Balance 4 projects achieved FC
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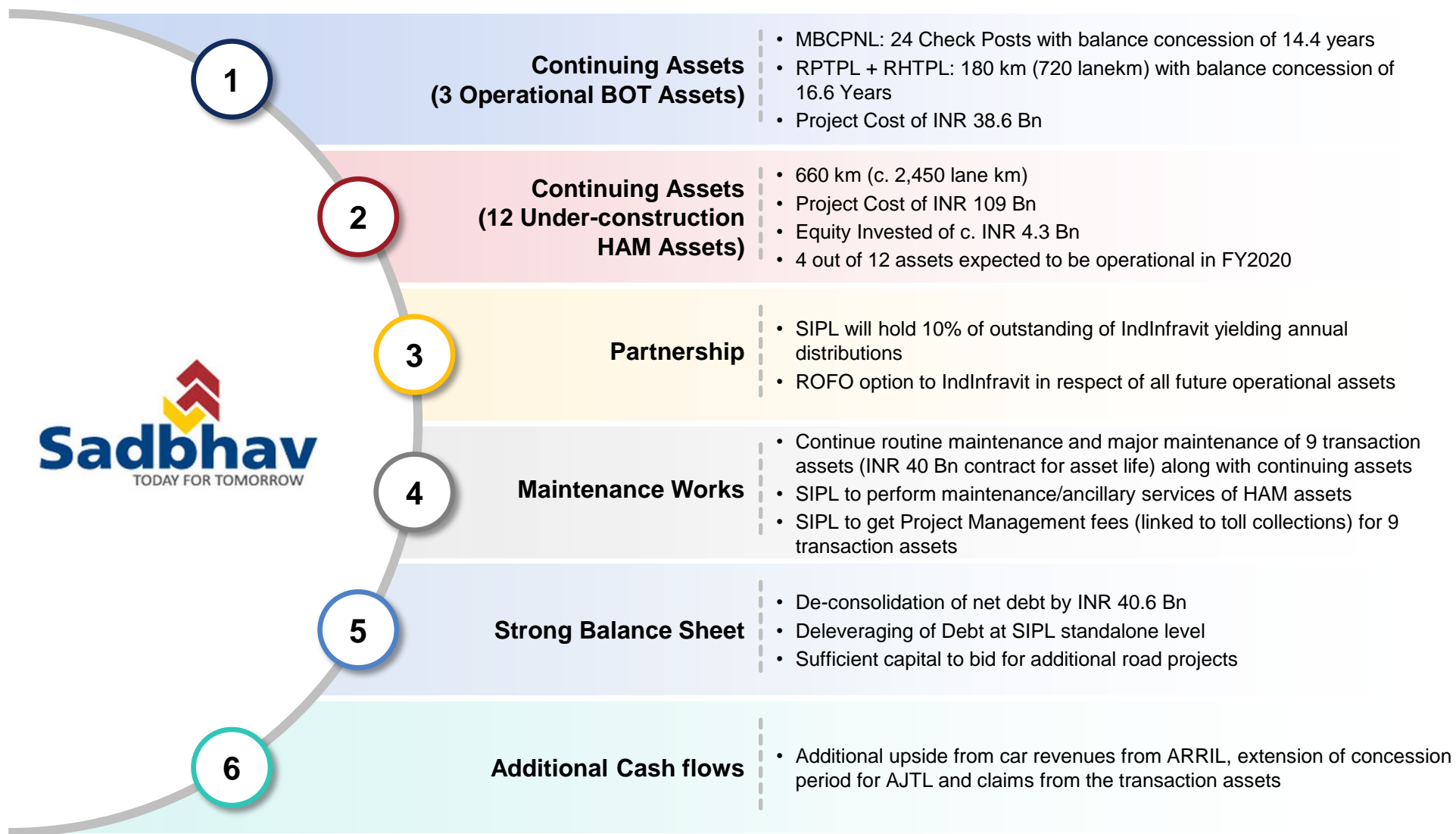
- 4 out of 12 assets expected to be operational in FY20
- Spread across Gujarat, Maharashtra, Rajasthan, Karnataka, Andhra Pradesh, Uttar Pradesh and Uttarakhand

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SIPL v2.0

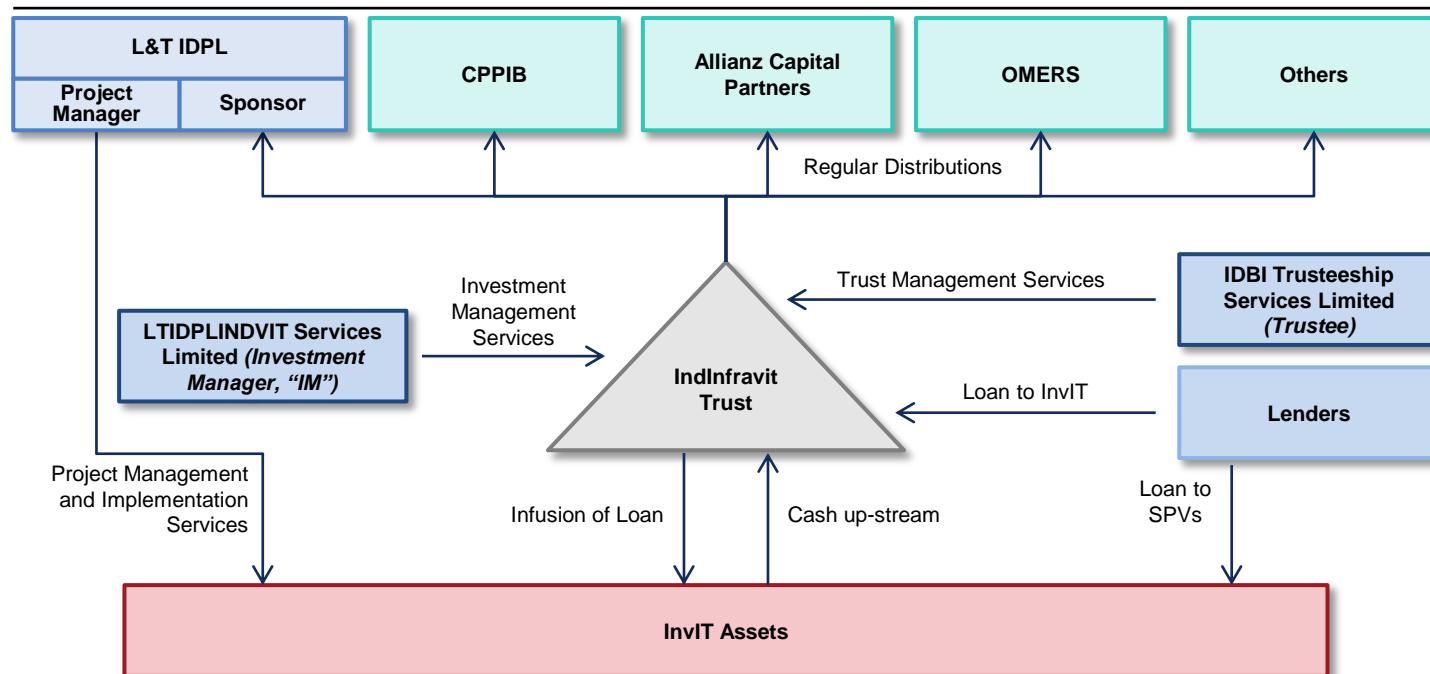
Post Transaction Assets



Overview of IndInfravit Trust

- On May 9, 2018, the units of the IndInfravit Trust were listed
- Currently, IndInfravit holds 5 operational NHAI toll road assets, aggregating to 611 km of highways across four states in western and southern India
- Prior to the transaction, CPPIB, ACP and OMERS together own more than 75% units in the IndInfravit Trust and L&T IDPL owns 15%

IndInfravit Structure



Post Transaction Overview

14 Projects
(12 Toll + 2 Annuity)

1,363 kms
(c.5,350 lane km)

INR 123 Bn
Project Cost

c. INR 18 Bn
FY2019 Revenue⁽¹⁾

Notes

- Pro-forma FY2019 Revenue Includes revenue from 5 IndInfravit projects and 9 SIPL projects

Overview of SIPL Continuing Projects

3 BOT Operational Projects and 12 Low-risk Under-construction HAM assets

Operational Assets	Project Name	Project Cost	Stake	Equity Invested ⁽³⁾	FY19 Debt	FY19 Revenue ⁽¹⁾	FY19 Cash EBITDA ⁽¹⁾	Operational History	Remaining Concession Life
		INR MM		INR MM	INR MM	INR MM	INR MM	Years	Years
	MBCPNL	14,264	97%	4,927	11,421	2,311	1,710	6.2	14.4
	Rohtak Hissar	12,716	100%	1,101	9,417	656	554	2.9	16.5
	Rohtak Panipat	11,610	100%	2,427	9,323	1,125	979	5.5	16.8
	Total	38,590		8,454	30,161	4,092	3,243	4.9⁽²⁾	15.9⁽²⁾

HAM Assets	Project Name	Project Cost	Stake	Equity Invested ⁽³⁾	Concession Life
		INR MM		INR MM	Years
	Bhavnagar	8,190	100%	546	15.0
	Bangalore	10,080	100%	948	15.0
	Rampur I	7,380	100%	643	15.0
	Rampur II	6,570	100%	461	15.0
	Una	6,230	100%	285	15.0
	Udaipur	8,910	100%	648	15.0
	Waranga Mahagaon	10,710	100%	488	15.0
	Bhimasar	11,500	100%	56	15.0
	Jodhpur RR	11,060	100%	228	15.0
	Tumkur III	10,080	100%	0.5	15.0
	Vadodara	14,040	100%	5.6	15.0
	Visakhapatnam	5,490	100%	0.5	15.0
	Total	109,030		4,310	

Notes

1. Includes O&M cost, employee benefit and other operating expenses; excludes NHAI grant, construction revenue and costs;
2. Reflects average operational history and remaining concession life across all operational projects
3. Equity invested till March 31, 2019

The Company has organized the Familiarization Programme on 1st July, 2019 for Independent Directors during the year 2019-20. All the Independent Directors of the Company were present.

The details of the same are mentioned as under:

Sr. No.	Name of Independent Director	Number of Programmes attended		Number of hours spent		Other Relevant Details
		During the year 2019-20	On a cumulative basis till date	During the year 2019-20	On a cumulative basis till date	
1	Mr. Sandip V. Patel	1 (one)	6 (six)	1 hour	6 hours	-
2	Mr. Atul N. Ruparel	1 (one)	6 (six)	1 hour	6 hours	-
3	Mr. Arun S. Patel	1 (one)	6 (six)	1 hour	6 hours	-
4	Mrs. Daksha Shah	1 (one)	6 (six)	1 hour	6 hours	-
5	Mr. Mirat N. Bhadlawala	1 (one)	5 (six)	1 hour	5 hours	-