



Press Release:

NHAI Completes Largest InvIT Monetization of Over Rs. 16,000 Crore Through 'Round 3'

New Delhi, 19 March 2024: National Highways Infra Trust (NHIT), the infrastructure Investment Trust by the National Highways Authority of India (NHAI), has successfully concluded fund-raising through 'InvIT Round-3' for National Highway stretches of aggregate length of 889 kilometers at an Enterprise Value of over Rs. 16,000 crore, which is the largest monetization by NHAI and one of the largest transactions in the history of Indian road sector. The Letter of Acceptance (LOA) to raise the highest ever concession value through 'InvIT Round-3' was issued last month in February 2024.

In the third round of monetization, NHIT has raised unit capital of around Rs. 7,272 crore from marquee domestic and international investors and debt of around Rs. 9,000 crore from Indian lenders, to fund the acquisition of National Highway stretches, at a base concession fee of around Rs. 15,625 crore, and additional concessional fees of Rs.75 crore. The units were subscribed by investors through a book build process at a cut off price of Rs. 124.14 per unit, at a premium over the current NAV of Rs.122.86 per unit.

The units witnessed strong demand from both existing and new investors, including foreign pension funds viz. Canada Pension Plan Investment Board and Ontario Teachers' Pension Plan Board, which are existing unitholders and subscribed to the maximum limit of 25% each; domestic pension/provident funds (IOCL Employee's PF, L&T Staff PF, Rajasthan Rajya Vidyut Karamchari Pension Fund, SBI Pension etc.), insurance companies (Tata AIG, SBI Life, HDFC Life), mutual funds (SBI, Nippon India), banks and few others. NHAI also subscribed to its share of ~15% of the units at the same price.

With completion of the third round of monetization the total realized value of all three rounds of InvIT stands at Rs. 26,125 crore and holds a diversified portfolio of fifteen operating toll roads with an aggregate length of about 1,525 km spread across the 9 states of Assam, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, Uttar Pradesh and West Bengal, with concession periods ranging between 20 to 30 years.

National Highways Infra Trust (NHIT), the Infrastructure Investment Trust sponsored by National Highways Authority of India (NHAI), was set up in 2021 to support Government of India's National Monetization Pipeline.

Commenting on the success of latest round NHAI's monetisation, Shri Anurag Jain, Secretary, Ministry of Road Transport & Highways said "NHIT is a successful example of Public Private Partnership (PPP), in which it has played a very important role in supporting National Monetisation Pipeline. While doing that NHIT has established itself as a leading player in the InvIT space, playing a critical role in channelizing financial capital into the further development of Indian roads sector".

Shri Santosh Kumar Yadav, NHAI Chairman added "We are pleased that NHIT has successfully completed the largest monetisation of roads for NHAI. We expect it to continue to play a stellar role in the monetisation and development of the Indian roads sector".

Shri Suresh Goyal, MD of the Investment Manager of NHIT said "We thank the existing investors for their continued faith and welcome the new partners for coming on board in strengthening NHIT and supporting NHAI in the development of India's road sector."

Since November 2021, NHIT has cumulatively raised around Rs.12,000 crore through first two rounds of monetization for acquisition of eight operating road assets with an aggregate length of 636 km from NHAI. Historically, units of NHIT were issued at a price of Rs. 101 in November 2021 and were listed on both BSE and NSE.

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